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USSR REPORT

USA: ECONOMICS, POLITICS, IDEOLOGY

No. 6, June 1983

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REASONS FOR REAGAN'S HARD-LINE FOREIGN POLICY EXAMINED

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 6, Jun 83 (signed to press 19 May 83) pp 7-17

[Article by Yu. P. Davydov: "The Reagan Administration's Approach to the Outside World"]

[Text] The foreign policy of the present Republican cabinet is formed within the framework of the general imperialist line of U.S. ruling circles, reflecting the balance of forces within these circles with regard to the country's place and role in today's world. In this sense, it is an amplification of many tendencies which were reflected less clearly in the policy of several postwar administrations, especially that of J. Carter. In some areas, however, quantitative changes have become so apparent that they have given rise to some new features in Washington's approach to the external world--to socialist states, allies, neutral states and nonaligned countries--and in international affairs in general. This approach is not confined to the bounds of any kind of precise or logical scheme because the foreign policy philosophy of the particular segment of the ruling class which took charge in 1981 represents a group of eclectic views, opinions and attitudes--and extremely tendentious ones--with regard to today's world, the essence of the changes taking place in this world and Washington's ability to influence them.

When we seek the sources of the conservative Reagan Administration's general approach to the outside world, we must remember that, in addition to everything else,¹ this approach essentially reflects the aims of a particular segment of the Republican Party which was not allowed to take charge for over 20 years and, because it remained on the sidelines of U.S. politics, retained, in more or less untouched form, the traditions and attitudes of the cold war and the overt anticommunism of J. F. Dulles' day, based on the myth of a "worldwide communist conspiracy headquartered in Moscow." "An entire 'cold war' clique of inveterate 'hawks' and 'neo-hawks' suddenly came into its own," American journalist R. Scheer writes in his recently published book "With Enough Shovels: Reagan, Bush and Nuclear War." "The members of this group categorically reject peaceful coexistence with the USSR.... They are obsessed with the strategy of confrontation."²

Another distinctive feature of the present administration is that the President and his closest advisers had little contact with U.S. foreign policy

prior to the election. Their approach to the outside world and its development and their interpretation of world events have been affected primarily by their experience in an area more familiar and more comprehensible to them: They are guided by their experience in business, by its interests and by the related type of social relations. As a result, their approach of Ronald Reagan and his closest associates (most of these are also businessmen: For example, Secretary of Defense C. Weinberger and Secretary of State G. Shultz were top executives in the California Bechtel corporation and W. Clark was the owner and manager of a real estate company, another California firm) to the world outside the United States is clearly influenced by the philosophy of "free enterprise," particularly "Reaganomics"--the only "original" idea the President brought with him to the White House.

In the most simple terms, the "philosophy" of Ronald Reagan and the people he represents is based on the belief that the capitalist economy and the system of private enterprise in general are capable of regulating themselves spontaneously and of overcoming all problems without "excessive interference" from outside. "Excessive regulation" of the economy by the government is harmful, reducing its viability and making it weaker and more vulnerable to various ailments, as a result of which healthy competition wanes and the economy is burdened by the bankruptcy of obsolete and decaying portions of the economic organism (this is the reason for the appeals for the "deregulation" of U.S. economic affairs); competition and rivalry among firms, corporations and monopolies are integral elements of the system of private enterprise, there is a fierce struggle for survival, in which the strong (the most clever, unprincipled, lucky, etc.) win and the weak either become dependent on the strong or disappear; the end justifies all means, the winner is always right, and it is he who determines the conditions of the future existence of the losers (the weak).

When Ronald Reagan and his associates entered the White House and encountered the need to define the bases of their approach to the outside world, they tried to apply some of the elements of their overall view of international relations within the general context of "power politics" without burdening themselves with any excessive complications. The foreign policy outlook of many members of the Republican administration, especially those who still believe in "American omnipotence," clearly reflects a tendency to approach U.S. relations with the rest of the world (both economic and political) from the standpoint of the general principles of "free enterprise" and to practice foreign policy with the use of these principles as a guide.

Under the influence of this group of men, the present Washington administration is much more likely than its predecessors of the 1970's to view international relations primarily as an arena of unrestricted competition with other states for hegemony, "for a place in the sun," for the right to direct world events. What is more, the implied goal of this struggle is not the conversion of the world according to the American model, but the "survival" of the United States and its system of values. According to some administration ideologists, competition in the world arena, just as in the capitalist economy, cannot be regulated in general by the international community. The Reagan Administration does not believe in the possibility of "peaceful relations and regulated

relations with the Soviet Union," Professor S. Bialer from Columbia University and J. Afferica from Smith College stressed.³ According to "Reagapolitics," the strongest and most influential leader comes to the fore as a result of fierce competition and the "free play" of forces in the world arena, in which the ultimate winner is the contender with the greatest resources, reserve strength and ability to impose his will on his rivals.

Obviously, we must bear in mind, first of all, that the analogy with economics ("free enterprise") is conditional and, secondly, that we are referring to only one aspect of the present administration's approach to the external world, which appears to be an extremely important aspect but is certainly not the only one. It can explain much about its behavior in the international arena, but it certainly cannot cover all of Washington's various foreign policy practices and it certainly does not exclude the possibility of deviations or even reversals. Foreign policy is the object of a continuous struggle within the U.S. ruling elite.

Objectively, this reliance on the spontaneous development of international relations and their actual "deregulation"⁴ refute, both in theory and in practice, the concept of peaceful coexistence by states with differing social systems (which assumes that international relations based on mutually beneficial cooperation are possible). What is more, it is actively hostile to this concept because it denies the equality of states, perpetuates the division of states into strong and weak entities and impedes the democratization of international relations.

After choosing the line of unrestricted confrontation in the international arena--primarily, but not only, between East and West--the present American administration announced that it would win this struggle without resorting to worldwide nuclear war ("limited" war, however, is another matter). But if competition in the world takes on a "spontaneous, fundamentally uncontrollable nature," the statement that it will "stop at the threshold of worldwide nuclear war" is politically quite dangerous as well as invalid.

It must be said, however, that the overall negative attitude of Washington's current leaders toward the conscious regulation of international relations does not mean that they are against any kind of negotiation between states: In the first place, they are inclined to regard negotiations and their possible results primarily as a way of strengthening American positions in world competition; in the second place, by making proposals that are obviously unacceptable to negotiating partners, they try to force these partners to accept solutions based exclusively on their own terms (which is impossible in today's world), and this also leads to the "deregulation" of international relations.

By attempting to involve the entire international community in confrontation in the world arena, the Reagan Administration hopes that this process, which diverts states from the resolution of urgent problems, will undermine the socioeconomic positions of the socialist community countries--the basis of their influence in today's world--and keep the developing states from strengthening their political and economic independence, thereby increasing their dependence on the industrial West and simultaneously reinstating the United States as the undisputed leader of the imperialist countries.

Washington's attempts to launch unrestricted competition in today's world are evident in several areas. Washington tried to disrupt the completion of the Madrid conference of signatories of the Final Act in Helsinki and has taken an obstructionist stance at the Geneva talks with the Soviet Union on the limitation and reduction of strategic arms and the limitation of nuclear weapons in Europe and at the Vienna talks on the reduction of armed forces and arms in Central Europe. American representatives blocked the talks on the nuclear test ban, on the sale of conventional weapons to third countries and on antisatellite weapons and effectively put an end to the so-called "North-South" dialogue. The United States refused to sign the convention on the law of the sea--the result of many years of serious negotiations at the Third UN Conference, in which previous administrations had taken an active part, stopped the talks on several other urgent international problems and took an extremely destructive position in the United Nations in general.

The free trade foreign policy philosophy of the Reagan Administration also pre-determines its behavior in the international arena. Since this implies unrestricted competition between states and a struggle in which one of the opposing sides must be crushed either physically or politically, all means are justifiable and permissible in this kind of skirmish, according to the ideologists of this approach. The top leaders of the American administration are not at all embarrassed by the fact that they have repeatedly been caught falsifying the facts, defrauding the American and world public, behaving hypocritically (making shrill statements in defense of the political demands of the Polish "Solidarity" leaders while disintegrating the American union of air traffic controllers who dared to make economic demands on the government), practicing blackmail and breaking promises (the ones they made, for example, to their allies at the Versailles summit meeting). None of this is considered to be shameful; what is more, it is all regarded as enviable political ingenuity.

Of course, this kind of behavior has always been present to some degree in the American bourgeois political process, but for the Reagan Administration it has become a characteristic political style rather than an extreme measure. The periodic blackmailing of allies with the threat of protectionist measures and the withdrawal of American troops from Europe, the obvious shuffling of figures in the assessments of the Soviet-U.S. military balance, the groundless statements about the use of chemical weapons in Afghanistan by the Soviet Union, the incredible allegations that the USSR is involved in the organization of international terrorism and so forth are not merely isolated facts from the biography of the current administration, but a line of behavior stemming from a specific foreign policy philosophy.

In addition to this, this administration, which defends the South African racists and the Latin American dictatorships that annihilate their enemies, supports the Israeli military leaders who provoked the bloody massacre in Lebanon, and finances rightwing campaigns in Western Europe through CIA channels, is cynically showing other nations the way to "democracy" and "free elections" and is passing itself off as a fighter for "human rights."

There is no need to go into lengthy discussions about the dangers of the deliberate line of unrestricted competition by states at a time of nuclear confrontation or the unforeseen consequences the entire human race could suffer as a

result. This line is in the interest of only an extremely limited segment of the American ruling class, frightened by social changes in the world and by the avalanche of problems facing the United States, which no American administration has been able to solve. What is more, no administration has even been able to suggest any constructive solutions. This segment would like to weather the current changes in the world in their customary "cold war" trenches and simultaneously earn capital from the escalation of international tension.

In an attempt to heighten rivalry in today's world, to put its opponents in a less advantageous position and to use its own, albeit temporary advantages (economic, financial, scientific and technical), the present U.S. leadership is trying to "raise the stakes"--that is, to raise the "cost" of this competition for other states (in the belief that it will retain enough "cash" for the last bet)--in order to deplete their resources prior to the decisive "test of strength" and to force them to admit that competition with the United States is too costly and virtually unacceptable for them and that they must consequently make concessions to Washington. The current administration's hope of raising the "cost" of the foreign policy operations of other states extends not only to the countries which have traditionally been regarded by the U.S. ruling elite as potential adversaries in the international arena, but also to some which are considered to be partners and allies.

This is the reason for Washington's desire to drive the international community into a new and costly round of the arms race (can anyone but the United States survive it?), to raise the level of international tension (this is also expensive), to pursue a policy of economic sanctions against Poland, the Soviet Union and its own allies (if they want to be more independent, let them shoulder most of the burden of confrontation with the socialist world) and to incite crises (Afghanistan, the Middle East, southern Africa, etc.) which will have to paid for (politically, economically and morally) dearly by others. When the Reagan Administration announced economic sanctions against the Soviet Union in December 1981 and against its own allies in June 1982, it evidently did not hope to completely put an end to the construction of the pipeline from Siberia to Western Europe, but it did expect the sanctions to delay the completion of the project for at least 2 years, raise the expenditures of the USSR and the West European countries and force the latter to "think long and hard" before making such deals in the future.

Since the present system of international relations, according to those in Washington, is based on increasingly intense competition among states (particularly the great powers), which should eventually lead to the defeat of one side, only the side capable of dominating the other in one way or another--or, ideally, in all ways--can win (or survive), according to the ideologists and apologists of the current administration (R. Pipes, W. Draper, P. Nitze, J. Buckley, N. Podhoretz, C. Gray and others). This is the reason for the maniacal obsession of the current Washington leaders with the idea of military superiority over the Soviet Union and NATO superiority over the Warsaw Pact, for the sake of which dozens of domestic social programs have been sacrificed.

From this vantage point, the state of military balance or parity between the USSR and the United States is regarded by the ruling elite as a "window of

vulnerability," as a source of uncertainty, because this means that world events will not necessarily transpire according to the American scenario. The members of this elite are trying to convince their fellow citizens that only military superiority and a "situation of strength" on the American side will guarantee their "survival." If the United States does not surpass all other world powers in terms of strength, it will be crushed and smothered by its opponents and will be reduced to a secondary power. "The idea of a world in which the United States is an average nation or even just one of the great powers is still repugnant to the majority of Americans," wrote Professor S. Hoffman from Harvard University, although it would be more accurate if this statement referred to a specific segment of the U.S. ruling class rather than to Americans in general.⁵ By idealizing the military-strategic situation of the period between the end of the 1940's and the beginning of the 1960's, Ronald Reagan and his closest associates are trying to prove that all of the problems, difficulties and failures the United States is now experiencing in the international arena will disappear as soon as it regains its previous military superiority.

This kind of "conservative romanticism" essentially has little in common with the principle of the "businesslike approach" to the outside world, and even less in common with reality. Nostalgia for the past and a desire to revive the atmosphere of the days of the "containment" of communism and "massive retaliation" distinguish the approach to international relations of the particular segment of the American ruling class that put Ronald Reagan and his administration in power. Its foreign policy is not based on a view of the real world of today, with all of its complexities and contradictions, but the world as it appears to the present U.S. ruling clique. In other words, it is trying to operate within the framework of outdated or disappearing patterns of international relations. "The present administration stubbornly formulates its policy in terms having little to do with today's international realities," Professor C. Kegley and E. Wittkopf concluded.⁶

As a result, its foreign policy is constantly revealing disparities and discrepancies. Above all, there is the disparity between the objective situation in the world and in individual regions and countries, between the actual tendencies and processes witnessed in international relations, and their assessment by Washington's political leaders. This disparity is characteristic of the majority of opinions of the chief members of the current administration, whether they concern the situation in the North Atlantic alliance, Central America or the Middle East. It is particularly apparent, however, in the assessment of the situation in the socialist countries. Some members of the administration prefer to see only the problems and difficulties of socialism and not to notice its considerable social, economic and cultural achievements, which are of interest to other nations, particularly those embarking on the road of social renovation. When President Reagan addressed the English Parliament on 8 June 1982, he tried to convince his audience that "the Soviet experiment is failing" in the USSR and, in general, "communism is losing its appeal"⁷ (he apparently forgot or simply did not know that the end of the "Soviet experiment" has been announced in the West since the day it began).

There is another perceptible disparity between the foreign policy goals of the administration and the resources it has for their attainment. It is completely

obvious that the present American administration's plans to attain military superiority over the Soviet Union and NATO superiority over the Warsaw Pact countries do not take the existing political and economic potential of the United States into account. "Throughout the postwar period," Harvard Professor J. Nye remarked, "there has always been a certain disparity between U.S. interests and U.S. strength. The more ambitious the interests, the more pronounced the disparity."⁸

There is a third disparity between specific foreign policy measures and their results. The attempt to exert mass-scale pressure on the Soviet Union in the hope of gaining concessions in several areas of international and domestic difficulty did not produce the anticipated results. The military-political campaign for the intimidation of Cuba was unsuccessful. Washington's numerous actions to strengthen Atlantic solidarity did not have the desired impact either.

The sphere of these disparities and discrepancies is constantly expanding. All of this gave the abovementioned S. Bialer and J. Afferica reason to assert that "the maximalist approach of the Reagan Administration is based on illusions about the weakness of the Soviet system, the overestimation of the strength of the United States and the entire Western alliance and overly optimistic ideas about the capabilities of American foreign policy."⁹

We might have expected the extension of the principles of "free enterprise" to the sphere of international relations (even in the form of "Reaganomics") to lead to the appearance of elements of pragmatism, rationalism and common sense, all characteristic of the businesslike approach, in U.S. foreign policy. But the "pragmatism" of the present American administration in international matters has taken the form of a desire for quick success at any price and an emphasis on immediate goals and on the particular areas of international activity in which results seemed more attainable to the ruling elite. This is the reason for the present administration's vague and indistinct system of foreign policy priorities and its concentration on secondary or imaginary problems which have little to do with U.S. national interests.

Why is it that Ronald Reagan's pragmatism, which admittedly served him well during his campaign, has not been reflected in the foreign policy of his administration? It appears that the world view of Ronald Reagan and his administration reflects the opinions and aims of the extreme right wing of the American establishment, whose behavior in the international arena is guided more by a primitive class instinct than by class awareness. This group has encountered less (in comparison to Europe or even Latin America) social challenges within the country and usually encounters them from outside. When it experiences the consequences of social changes in the world, it is incapable of recognizing their historical necessity and tries to blame them on the international activities of the socialist countries, especially the Soviet Union.

There is also another factor influencing the Reagan Administration's approach to international issues. In the 1970's the United States became much more dependent on the outside world and, as a result, much more vulnerable to it.

This is an objective process stemming from a variety of economic, political, military and ideological factors. The American public is growing increasingly aware of this reality. According to a public opinion poll conducted by D. Yankelovich, 42 percent of the Americans listed foreign policy problems among the country's most vital concerns in the beginning of 1980 (in comparison to 3 percent in 1979).¹⁰

The realization of the nation's increasing vulnerability came from different directions and evolved under the influence of different events. First of all, it became increasingly obvious that the eradication of American superiority in strategic arms had made American territory accessible to a potential adversary's retaliatory strike. This was a shock to those who were accustomed to associating questions of U.S. security with U.S. invulnerability. In the second place, the flareup and increasing severity of the energy crisis in 1973-1975, and to some degree in 1979 as well, revealed that American welfare was much more dependent than before on the political and economic situation in other parts of the world. In the third place, the Japanese and West European economic invasion of U.S. territory, growing constantly more intensive from the second half of the 1970's on, revealed the vulnerability of U.S. industry--the basis of American strength and national pride. Finally, the defeat in Vietnam, the revolution in Iran, the victory of the Sandinist front in Nicaragua and the continuous (despite American aid to reactionary forces) civil war in El Salvador proved that external upheavals could affect the nation's internal political atmosphere.

It is a fact that American vulnerability is now much broader and deeper (the considerable dependence on some important types of strategic raw materials, the sometimes extremely unstable position of the dollar in currency markets, the transnational corporate activities dependent on the political situation in host countries, etc.).

In principle, many countries are vulnerable in the same way, but they have learned to live with this vulnerability and to find ways of neutralizing some of its negative consequences. The situation is new for the Americans, however, who were raised with the belief that nothing of the kind could ever happen to them. This phenomenon, which has sometimes been dramatized deliberately by certain U.S. groups in their own interests, evoked different reactions from different social strata, primarily a sense of anxiety.

American ruling circles, and the Reagan Administration in particular, are taking advantage of this anxiety to imply that the present increase in U.S. vulnerability is due solely to the growth of Soviet military strength in the 1970's and are saying nothing about the real reasons. The other causes of this comprehensive U.S. vulnerability to the outside world are either ignored or discounted. As a result, the objective process of this vulnerability's growth has been transformed into a so-called "Soviet threat" to America through the efforts of rightwing forces and the ideological machine of the military-industrial complex. The myth of "traditional Soviet expansionism" was put to work in the same way (in his very first public statement as the President's national security adviser, W. Clark noted that the United States "has vitally important interests throughout the world" and asserted that "the most obvious threat to them is posed by the Soviet Union").¹¹

In this way, the Soviet Union is branded the chief generator of the misfortunes, problems and difficulties with which the U.S. dominant class has had to contend in the international arena. In one of his speeches, Ronald Reagan said that the existence of the Soviet Union is "the greatest tragedy of our time."¹² Without it, "we would have no problems in this world." Statements like these testify that a black and white view of the outside world is once again characteristic of the chief members of the administration, just as it was during the cold war. They view the world exclusively through the prism of tough and forceful confrontation with the Soviet Union and other countries of the socialist community. They are actually living by only one rule: Anything that is bad for the USSR is good for the United States and vice versa. As a result, international events, the activities of other governments, including allies, and the United States' own activity in all areas are generally evaluated according to a single criterion: How much it harms the Soviet Union and benefits (this usually concerns immediate benefits because there is a tendency to ignore far-reaching consequences) the U.S. ruling clique.

The oversimplified views of the present American leadership about the nature of confrontation in the international arena and the sociopolitical aims of the opposing forces have seriously influenced the engineering of the specific U.S. foreign policy reflecting the following "ideas" of the current administration:

In the international arena the United States generally has either "real friends," prepared to support Washington automatically and unconditionally in any situation, or opponents and enemies, overt or covert. There is no middle ground, and neutrality is treated, just as it was in Dulles' time, as a swear-word (this is the reason for the cooler relations with neutral Austria and Sweden);

The indicator (or criterion) of the "friendliness" of other countries toward the United States is not so much the state of their relations with Washington as the degree of their anti-Sovietism, the "total harm" they are capable of inflicting on the USSR ("If you call yourself an anticomunist, you will have no problems with the Reagan Administration");¹³

There is no clear dividing line between confrontation and cooperation among states belonging to different social systems. In fact (despite the plethora of statements about the willingness to cooperate with the socialist countries "for the good of mankind"), the Republican administration believes that they, especially the Soviet Union and United States, have no common interests, at least in the main areas, whereas the zone of conflicts is wide and deep; this is why the improvement of relations between the two powers will always be temporary, as tension is a more natural state for them ("The policy of Ronald Reagan, as it is now formulated, offers the Soviet leadership only confrontation or surrender");¹⁴ under these conditions, compromises or mutual concessions in relations among states (even when they belong to the same sociopolitical system) hold out little promise and, according to the administration's ideologists, agreements based on these compromises will probably not be observed in situations that are critical for either side;

The structure of international relations or the "world order" can be based either on Soviet or on American terms (either on Soviet or on American

superiority) and cannot be based on a Soviet-American or broader international consensus--this is unrealistic in today's atmosphere; in fact, the structure of international relations will be workable only if the United States occupies the dominant position;

The claims of other countries to have their own specific interests in this black and white situation are either invalid or illusory; the attempts of some statesmen (primarily allies) to insist on these specific interests or on the right to them should be viewed, regardless of their motives, as a betrayal of the common cause, a break in the common front and evidence of "consorting with the enemy" (this is exactly how people in the White House defined the position of several West European governments on the "gas for pipes" agreement with the Soviet Union).

Within the context of this black and white view of the world, pressure becomes the main medium of U.S. influence on the surrounding world--opponents, allies and nonaligned states. These people who once had fairly abstract ideas about the possibilities of force, especially military strength, are now particularly inclined to insist on the use of some kind of force to secure the international interests of the American establishment. "Let us stop hesitating. Let us use our strength," the American President said.¹⁵

The emphasis on strength, especially military force, has taken on a truly maniacal nature in the present administration. Strength is the watchword for those engaged in arming the United States and for those advocating disarmament. It has become a universal means of solving all international problems. Relations with the Soviet Union? Strength is the only possible basis for these. With Western Europe and Japan? They will probably also respond best to strength. With the nonaligned countries? All the more so. A world without war? Yes, but through strength. Negotiations? Only from a position of strength. And so forth.

When we assess Washington's current approach to the outside world in general, we should underscore the fact that the previous reformist line (the Carter Administration) of U.S. adaptation to the outside world and of the use of the possibilities created by its development in the United States' own interest has been replaced with the aim of reconstructing the world in accordance with the views of the extreme right wing of the American establishment. The members of this group have virtually equated their class instinct with the national interest and have made foreign policy their point of departure. As a result of this, this policy can again be reduced (just as it could decades ago) to a struggle against "world communism" in any part of the world. The obsession with confrontation with the Soviet Union causes Washington to overreact to any events that appear unfavorable to the American ruling elite. This tendency to overreact in a country with enormous nuclear potential could have the most serious effect on international security and even the existence of all life on earth.

Any method is assessed primarily in terms of how it works under the specific conditions of the current international situation. In this context, the approach of Ronald Reagan and his associates to the outside world is distinctive

not only because it is ineffective--that is, it generally does not lead to the anticipated foreign policy goals--but also because it is sometimes counterproductive--that is, its results are the opposite of those anticipated.

The line of "deregulating" international relations (or, in other words, the attempt to regulate them exclusively on the United States' own terms) and of unrestricted competition under the conditions of nuclear confrontation have heightened the risk of a conflict involving the use of all types of weapons of mass destruction. This fact was quickly acknowledged by the world public and by many statesmen and evoked a backlash, strengthening the determination of the majority of states to regulate international relations, particularly in the case of situations capable of engendering military conflicts.

The Reagan Administration's attempts to attain the military superiority of the United States over the Soviet Union and of the NATO bloc over the Warsaw Pact states have, despite all the danger they represent to the cause of peace, surprised Washington by being largely counterproductive: They have led to the unprecedented growth of the antiwar movement in Western Europe and even in the United States. This is a reality Washington cannot ignore.

The aim of military superiority, which is directed in part at the restoration of unconditional American leadership in the Western alliance, frightened the allies with its extremism and with the ease with which Washington discusses the possibility of nuclear war. "The administration's statements about nuclear weapons and nuclear war had an impact that was the direct opposite of the anticipated effect,"¹⁶ Professor J. Nye stressed in this connection.

The Reagan Administration hoped to use the situation in Poland as, in addition to everything else, a means of raising the level of solidarity in NATO. The sanctions against Poland and the USSR, which Washington wanted the allies to uphold, were supposed to have the same effect. "Toughness" and "determination" were therefore supposed to lead to greater NATO unity on a solid platform of struggle against "atheistic communism." But these steps were also counterproductive. "The embargo, which was the result of the President's personal decision and which was undertaken in spite of the protests of some of his advisers, hurt the unity of NATO, which it was supposed to strengthen, more than it hurt the Soviet Union, which it was supposed to 'punish,'" France's LE MONDE commented.¹⁷ The sanctions were lifted, but the wounds they inflicted on relations with the allies remained.

The "new continentalism," the U.S. reliance on Latin America (Western Europe is unreliable) and the new "Monroe Doctrine" were the subject of much discussion when Ronald Reagan entered the White House. But Washington's behavior during the crisis over the Falkland (Malvinas) Islands, its unilateral support of Great Britain and its organization of military provocations against Nicaragua created a situation that was the opposite of the one anticipated. This policy alienated the Latin American countries from the United States instead of strengthening the ties between them.

Ronald Reagan's policy line has also proved to be counterproductive in several other areas--in relations with developing countries, the movement for non-alignment, the PRC and the socialist countries in Eastern Europe.

Each new approach needs adjustment after it has been employed for a certain length of time. The time has apparently come for the Reagan Administration to do this. More than half of Reagan's term in office is over. The ineffectiveness of Washington's foreign policy measures and their counterproductive nature in some areas have evoked a wave of criticism abroad and in the United States. People are starting to leave the administration. Several objective factors in the present international situation are impeding the establishment of new features in the American approach to the outside world. They are creating unfamiliar and difficult problems for Washington. As yet, however, adjustments in policy have consisted only in foreign policy maneuvers by the administration and in a search for solutions whose form meets the requirements of the present international situation but whose content is still aimed exclusively at securing the interests of the ruling clique in the United States.

This is not what the international community wants. It certainly does not want a continuation of confrontation in the world arena, leading to the growth of tension and the threat of nuclear conflicts. It wants constructive cooperation and the resolution of the complex problems facing mankind.

FOOTNOTES

1. For a discussion of the sociopolitical base of the administration's upper echelon, see SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1982, No 11, pp 117-127.
2. R. Scheer, "With Enough Shovels: Reagan, Bush and Nuclear War," N.Y., 1982, p 5.
3. S. Bialer and J. Afferica, "Reagan and Russia," FOREIGN AFFAIRS, Winter 1982/83, p 271.
4. The need to introduce some kind of "order" into the system of relations between sovereign states was recognized long ago. Many sensible politicians realized that international relations could not take the form of an endless "war by everyone against everyone" and that they must be regulated. In the nuclear age this need became even more apparent. It engendered international law, a system of treaties (bilateral and multilateral), the United Nations and other international organizations (as well as such concepts as the "international government" and the "world state"). The Soviet Union wants the kind of regulation of international relations that would eliminate the danger of war, promote disarmament and mutually beneficial cooperation in other areas, etc. Given the present balance of forces in the world, however, this kind of regulation would, in addition to everything else, tend to inhibit the imperialist aims of more reactionary circles in the United States and limit their capabilities in the international arena. This is the reason for their attempts to sabotage the process of regulation and to secure their own freedom in the world arena in the hope of attaining superior strength. At the same time, the attempts to impose a system of regulation based on the United States' own

terms, exclusively in the interest of the American ruling clique-- attempts which are made futile by the current alignment of forces in the world--are only the opposite side of the process of "deregulation."

5. S. Hoffman, "Requiem," FOREIGN POLICY, 1981, No 42, p 26.
6. C. Kegley and E. Wittkopf, "The Reagan Administration's World View," ORBIS, Spring 1982, p 241.
7. THE DEPARTMENT OF STATE BULLETIN, July 1982, p 26.
8. J. Nye, "U.S. Power and Reagan Policy," ORBIS, Summer 1982, p 406.
9. S. Bialer and J. Afferica, Op. cit., p 271.
10. L. Kaagan and D. Yankelovich, "Assertive America," FOREIGN AFFAIRS, 1981, vol 59, No 3, p 701.
11. THE WASHINGTON POST, 20 May 1982.
12. WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, 26 July 1982, p 918.
13. C. Kegley and E. Wittkopf, Op. cit., p 228.
14. S. Bialer and J. Afferica, Op. cit., p 271.
15. THE DEPARTMENT OF STATE BULLETIN, July 1982, p 28.
16. J. Nye, Op. cit., p 403.
17. LE MONDE, 16 November 1982.

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WASHINGTON OBJECTS TO NUCLEAR-FREE EUROPE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 6, Jun 83 (signed to press 19 May 83) pp 41-45

[Article by V. F. Davydov]

[Text] An inexorable choice faces Europe in 1983: Will it have to accept a new round of the race for nuclear missiles, lowering still further the sword of Damocles of total nuclear devastation that already hangs over it, or will the arms race be curbed and reversed and the process of the continent's liberation from nuclear weapons begin? A clear understanding of this alternative is nurturing mass movements for the creation of nuclear-free zones in various parts of Europe, including Northern Europe and the Balkans.

The political declaration adopted by the Warsaw Pact states at a conference of the Political Consultative Committee in Prague in January 1983 says that the best way of strengthening security in Europe and ensuring the positive development of intergovernmental relations on the continent and the improvement of the entire international situation "would be the removal of all nuclear weapons, both medium-range and tactical, from Europe." Conference participants supported proposals regarding the creation of nuclear-free zones in Northern Europe, the Balkans and other parts of the continent, the transformation of the Mediterranean Sea into a zone of peace and cooperation and the organization of the appropriate talks on these matters.

As early as the middle of the 1950's, when NATO forces were equipped with nuclear weapons, the socialist states responded by suggesting the creation of a nuclear-free zone in Central Europe, which would include Poland, the CSSR, the GDR and the FRG. They worked out the basic provisions of the concept of nuclear-free zones now used in diplomatic practice--the obligation of the non-nuclear states in the zone not to produce, acquire or permit the emplacement of nuclear weapons within their territory, and the obligation of nuclear states not to use nuclear weapons against countries in the zone, not to threaten the use of these weapons and to respect and not violate their nuclear-free status. The USSR announced its willingness to make these pledges, but the NATO countries did not follow its example, and the United States decided to saturate the territory of its allies with nuclear weapons.

Northern Europe

The U.S. and NATO plans to deploy new American medium-range missiles on the European continent in 1983 have made it essential for North European countries to consider ways of guarding themselves against the catastrophic consequences of nuclear war if it cannot be prevented. An effective way of eliminating the nuclear threat would consist in the judicial registration of their non-nuclear status and the attainment of guarantees from the nuclear powers that nuclear weapons will not be used against these countries. This course of action was already being discussed in Northern Europe in 1963 at Finland's suggestion.

The Soviet Union has repeatedly declared its fundamental agreement with this proposal and has stressed its willingness to pledge not to use nuclear weapons and not to threaten their use against the North European countries in a non-nuclear zone--that is, countries which pledge not to produce or acquire nuclear weapons or to allow their emplacement within their territory. The Soviet Union's guarantee could be secured by a multilateral agreement or by bilateral agreements with each of the countries in the zone. Furthermore, the Soviet Union does not exclude the possibility of the consideration of some other measures with regard to its own territory adjacent to the nuclear-free zone in Northern Europe. What is more, these measures could be considerable. From the standpoint of any nuclear state, this Soviet willingness represents an unprecedented step, dictated by sincere concern for the security of the non-nuclear countries. Furthermore, the USSR has not made its pledge conditional upon a positive response to the zone by other nuclear powers, although it is understandable that the countries in the zone would be more secure if the NATO nuclear powers could also pledge to respect their non-nuclear status.

From the very beginning, however, the United States and the NATO bloc objected to the creation of a nuclear-free zone in Northern Europe. The Reagan Administration exerted pressure on the northern countries in the fear that the creation of a nuclear-free zone would interfere with NATO's long-range nuclear preparations in all of Western Europe. Under this pressure, the northern NATO countries have taken actions attesting to their deeper involvement in the bloc's nuclear strategy. Norway is participating in the planning of nuclear strategy and the creation of the NATO infrastructure. In 1980 it signed an agreement with the United States on the storage of American heavy military equipment on its territory. A similar agreement is to be signed by the United States and Denmark. Military and political leaders of the North European NATO countries have refused to offer unconditional assurances that their territory is not being used and will not be used, at least in peacetime, for transit shipments of nuclear weapons. It is known, for example, that the American "rapid deployment force," which could use military storage facilities in Norway and Denmark, has nuclear weapons in its arsenal.

The NATO plans envisage the use of airfields and communication centers in Norway, Denmark and Iceland by strategic bombers carrying nuclear weapons "in the event of military operations." The flight trajectories of American missiles located in Britain and aimed at the USSR cross the territory of Norway, neutral Sweden and even Finland. This testifies that the probability of the use of nuclear weapons in Northern Europe is much greater today and is increasing due to the actions of the United States and of NATO in general.

Social democratic and communist parties, trade unions, politicians and public spokesmen in the North European countries advocate the creation of a nuclear-free zone without delay. At the 31st Session of the Northern Council in Oslo in February 1983, representatives of communist and socialist parties addressed the governments of the northern countries with an appeal for immediate joint measures for the creation of a nuclear-free zone in Northern Europe. They also suggested that a commission be created on the ministerial level to discuss this matter and that a forum of parliamentarians be convened to investigate the problem. This matter is one of the central issues in the foreign policy programs of the Swedish and Finnish governments. "A nuclear-free zone today, and not tomorrow"--this is now the slogan of all peace-loving forces in the northern countries.

The Balkans

Northern Europe is far from the only place on the continent where the possibility of nuclear-free zones is the subject of lively discussion. This idea is widely supported in the Balkans and in many Mediterranean countries.

In 1981 Bulgaria proposed that the heads of the Balkan states meet to discuss this problem. The response to this proposal was positive in Yugoslavia and Romania, as well as in Greece, which has American nuclear weapons within its territory. When Chairman N. A. Tikhonov of the USSR Council of Ministers visited Greece in February 1983, Prime Minister A. Papandreu told him: "The proposed creation of a nuclear-free zone in the Balkans is winning increasing support, and we hope that it will eliminate the threat of nuclear catastrophe here."

The importance of creating a nuclear-free zone in the Balkans stems from their geographic location, their direct proximity to the explosive Middle East, where Israel, an American client, is continuously committing aggressive actions against Arab countries with the direct support of the United States. The fact that Tel-Aviv, as we know, plans to create its own nuclear weapons is particularly alarming.

Ships of the American Sixth Fleet, carrying nuclear weapons, constantly patrol the Mediterranean. In Italy, in accordance with the well-known NATO "double decision," preparations are being made for the deployment of new American cruise missiles with a range of up to 2,500 kilometers. In this way, Washington is turning Italy into a target for a retaliatory nuclear strike.

The Soviet Union has repeatedly announced its support for the removal of all ships carrying nuclear weapons from the Mediterranean, the refusal to deploy nuclear weapons within the Mediterranean countries and the assumption of commitments by the nuclear powers not to use nuclear weapons against any Mediterranean country not allowing the deployment of such weapons within its territory.

Central Europe

The movement for the creation of nuclear-free zones has also become popular in the countries of this region.

An increasing number of politicians and increasingly large segments of the population have realized the simple fact that the risk of nuclear confrontation would be diminished considerably if all nuclear weapons were to be removed from Central Europe. After all, the presence of just tactical nuclear weapons in this region--that is, close to the boundary between East and West, and in a tense atmosphere--creates enormous risks, including the risk of unforeseeable accidents as a result of human or technical error.

When the Swedish Government addressed the Warsaw Pact states and NATO countries in December 1982 with the proposal that a zone free of "nuclear battlefields" and approximately 300 kilometers in width--that is, stretching 150 kilometers on both sides of the boundary separating the Warsaw Pact countries from the NATO states--be created in Europe, the USSR was quick to respond to this proposal.

The Soviet reply to the Swedish Government said that this proposal had the same aim as the efforts of the Soviet Union and other socialist countries. The USSR regards the creation of nuclear-free zones in various parts of Europe, including Northern Europe and the Balkans, as an important part of the struggle to consolidate peace and security on the European continent and as one way of freeing the entire continent from nuclear weapons--both tactical and medium-range. The Soviet Union announced its willingness to participate in talks on the creation of this zone. With a view to the tactical and technical characteristics of nuclear weapons discussed in the Swedish proposal, the Soviet side believes that the proposed zone could be a truly effective means of reducing the nuclear threat if it stretches not 300 kilometers, but 500-600--that is, 250-300 kilometers to the east and west of the boundary separating the Warsaw Pact states from the NATO countries.

The Swedish proposal was also supported by other socialist countries.

But Washington objected to the idea. A State Department spokesman declared: "These proposals are unrealistic and ineffective. We do not believe that they will promote security and stability in Europe." On Washington's instructions, official NATO spokesmen made similar announcements, asserting that moving the "nuclear battlefield" farther away from a region as important as Central Europe would be inconsistent with the NATO doctrine of "flexible response." Washington simultaneously began "twisting the arms" of its allies even more vigorously in order to gain their consent to the deployment of the new U.S. medium-range missiles on their territory.

After taking its historic unilateral pledge not to use nuclear weapons first, the Soviet Union continued to sympathize completely with the European countries' efforts to safeguard their security in the face of the threat of nuclear war. It stressed repeatedly that if the possibility of creating a nuclear-free zone in any part of Europe should arise, the USSR would actively support any practical steps in this direction. The very wording used by the Soviet Union--"a Europe free of nuclear weapons, both medium-range and tactical"--presupposes a broad range of measures and steps in line with the efforts of people to remove all nuclear weapons from Europe.

The Pentagon's Nuclear Hostages

In an attempt to prove that the proposed creation of nuclear-free zones in Europe would be contrary to Western interests, the Atlantic ideologists have alleged that only the NATO "policy of intimidation," based on the ability to deliver the first nuclear strike, has kept the peace in Europe throughout the postwar period. Nuclear-free zones, they imply, will weaken the strategy of the nuclear "deterrence" of the USSR.

This thesis is not only totally false but is also serving to camouflage the selfish reasons for which American ruling circles are maintaining and augmenting the U.S. nuclear presence in Europe.

American nuclear weapons deployed in Europe have always been regarded by Washington as an integral part of U.S. nuclear forces and, in Washington's opinion, an extremely effective part, due to the geographic location of the region. Pentagon strategists proceed from the assumption that these weapons can be used even if a conflict between U.S. and Soviet armed forces begins somewhere else. We should recall that the Pentagon declared the concept of "geographic escalation," which essentially means that the United States should not limit its actions to the region where a conflict breaks out, but can resort to "appropriate actions" in other regions where, as Secretary of Defense C. Weinberger said, the United States has "more convenient positions from the geographic and tactical standpoints." According to the Pentagon, Europe is one of these "more convenient" regions.

Guided by this concept, Washington decided to fill Western Europe with the new American missiles which, according to the unanimous opinion of American experts, are first-strike weapons. But what is most important, Washington expects the delivery of a first nuclear strike from the territory of Western Europe to result in a retaliatory strike in precisely the same place while the United States remains, so to speak, on the sidelines. The Reagan Administration has repeatedly announced its adherence to the strategy of "limited nuclear war" on foreign territory, thereby confirming its plans to turn the countries and people of Western Europe into nuclear hostages of the United States.

To quell the wave of protest and indignation in Western Europe in connection with the assignment of the role of nuclear hostages to the people of this region, Washington launched a full-scale attack on the members of the anti-nuclear movement in Europe. American strategists are alleging that the creation of nuclear-free zones would heighten the risk of hostilities involving conventional weapons. Of course, they are saying nothing about the proposal of the socialist countries that a non-aggression pact be signed to maintain peaceful relations between the Warsaw Pact and NATO states, the focal point of which could be the mutual pledge of countries of both alliances not to initiate the use of nuclear arms, conventional weapons or military force in general against one another. Washington has also implied that nuclear-free zones could give the Soviet Union unilateral advantages because the nuclear-free zone in Northern Europe, for example, would take in the territory of some of the United States' NATO allies. But this situation could be balanced, after all, by the creation of, for instance, a nuclear-free zone in the Balkans, which

would take in the territory of some Warsaw Pact states. This is another of the possibilities that Washington prefers not to mention.

In addition, Washington has stubbornly rejected the proposals of the USSR and other socialist countries that nuclear weapons not be deployed wherever they do not exist at present. This negative stance has been motivated by the selfish interests of the American military establishment and its desire for a free hand in nuclear preparations on the European continent.

The creation of nuclear-free zones would give the European countries a chance to make a perceptible contribution to the alleviation of the threat of nuclear war and the relaxation of tension. The more states there are in Europe which refuse to allow the deployment of nuclear weapons on their territory, the more obstacles there will be to the use of these weapons and the less risk there will be of their use.

Nuclear-free zones in Europe could pave the way to the total liberation of the continent from nuclear weapons. They would radically reduce the geographic parameters of nuclear preparations and completely invalidate the dangerous ideas about fighting a "limited nuclear war" on foreign territory.

The European states which do not possess their own nuclear weapons and do not have nuclear weapons on their territory have every legal and moral right to demand that all nuclear states give them guarantees, in the form of a treaty, that nuclear weapons will never under any circumstances be used against them.

The Soviet Union has repeatedly announced its willingness to begin the international legal formulation of these guarantees with any European country at any time. The peaceful initiatives put forth by the socialist countries at the Prague conference of the Warsaw Pact Political Consultative Committee have revealed new horizons in the struggle to turn Europe into a continent free of nuclear weapons.

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U.S. EXPANSION IN WORLD FOOD MARKET

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 6, Jun 83 (signed to press 19 May 83) pp 51-59

[Article by I. B. Avakova]

[Text] In his State of the Union Message of 25 January 1982, President Reagan acknowledged the difficult position of the farmers in connection with the drop in wholesale grain prices in the nation. He proposed the more intensive export of foodstuffs to "revitalize rural America." The American press has reported the widespread sale of farms at auction due to the nonpayment of debts as a result of the drop in grain prices over the last 4 years. Agricultural "surplus" is growing, and this puts pressure on the prices of future harvests. It should be emphasized that the term "surplus" is quite relative as it is now used in reference to food in the United States. After all, this "surplus" is being exported intensively at a time when more than 32 million people in the nation are living below the official poverty level and are in a state of semi-starvation due to the constant rise of retail food prices. Furthermore, the efforts to augment food exports are depriving these people of even the aid they once received in the form of food stamps. This has been accompanied by a constant rise in the prices of agricultural machinery and fertilizers, in food storage and shipping costs and in the price of the energy used in agricultural production.

But the appeals for larger grain exports are dictated less by concern for the farmers than by Washington's desire to strengthen U.S. positions in the world food market. Washington is aware of the fact that agricultural trade has acquired increasing significance in international economic relations in recent years. The increase in the scales of the grain trade has been particularly impressive. This product accounts for the majority of world agricultural exports and imports.¹ Grain exports in 1981 were double the 1970 figure and amounted to 196.1 million tons. Imported grain accounted for 12.6 percent of worldwide grain consumption in 1980 (8.7 percent in 1970). The growth of fodder grain exports was particularly impressive, increasing from 39 million tons in 1970 to 90 million tons in 1979, while wheat exports increased from 50 million tons to 72 million tons, or by 42 percent, during the same period.² There has also been a considerable increase in the international trade in oil-bearing seeds used in the production of livestock feeds. Soybeans and groats (processed soybeans) constitute the basis of this trade. The increased

consumption of oil-bearing seeds and, consequently, the increased trade in these seeds were the result of the consumption of animal husbandry products with a higher protein content in the developed capitalist countries. The volume of trade in soybeans and groats increased from 2-fold to 2.5-fold over the last decade and amounted to 45.1 million tons in 1980--28.3 million tons of soybeans and 16.8 million tons of soy groats.³

The constant expansion of world agricultural trade has been due in part to the growing gap between agricultural production levels in the industrially developed and developing countries. Over the last decade the per capita output of grain (as the main element of the food trade) in the developed capitalist countries rose from 582.1 to 707.3 kilograms, but in the developing countries it dropped from 211.5 to 202.7 kilograms. The problem has been particularly acute in Africa and Asia, where per capita grain production declined from 183.7 and 169.2 kilograms respectively in 1970 to 155.5 and 140.7 kilograms in 1979.⁴ The narrow agricultural specialization of the majority of developing countries, imposed on them by the colonial and neocolonial policies of imperialist states, in combination with the low developmental level of the material, technical and social base of agriculture, has widened the gap between food production and consumption in these countries and has made them more dependent on imports of the main food products--wheat and rice. The recent increase in the proportion accounted for by animal husbandry products in total food consumption in the industrially developed countries and some developing states has played an important role in the expansion of the international trade in agricultural products, especially grain and oil-bearing seeds.

Most of the countries in the world participate in the international exchange of agricultural products--developed capitalist countries, developing states and the countries of the socialist community. In itself, the growth of international agricultural trade is a completely natural phenomenon, reflecting the processes of international division of labor and scientific and technical progress. Specialization in this area, connected with the different soil and climatic conditions of different geographic regions and countries, has always been an important factor in international agricultural exchange. However, now that imperialism is making every effort to retain its influence in the world and even to regain what it has lost, the food trade often becomes an instrument of blackmail and political pressure in the hands of monopolists. Many importing countries have had to resist these tendencies by pursuing a policy aimed at developing their own agriculture, through intensification and the enlargement of farming areas, in order to reduce food imports. This is also being done for the purpose of retaining the foreign currency earned from exports.

In connection with this, an analysis of U.S. export-import policy in the area of agricultural trade is politically pertinent because it is precisely this country that occupies the key positions in world markets in terms of the export of several major agricultural products (wheat, fodder grain and soybeans) and is simultaneously one of the leading importers of agricultural products. In 1979 the U.S. foreign trade in agricultural products totaled 54 billion dollars, or 13 percent of the world turnover in agricultural trade.⁵

Table 1

U.S. Share of World Production, Export and Consumption of Major Agricultural Products in 1970-71, 1979-80, 1980-81,* %,
(U.S. Statistics)

<u>Products</u>	<u>Production</u>	<u>Export</u>	<u>Consumption</u>
Wheat			
1970-71	12	36	6
1979-80	14	44	5
1980-81	14	45	5
Fodder grain			
1970-71	25	42	24
1979-80	32	71	21
1980-81	27	72	20
Rice			
1970-71	1	19	1
1979-80	2	22	1
1980-81	2	22	1
Soybeans			
1970-71	81	90	40
1979-80	66	84	30
1980-81	59	80	28

* Forecast.

"1981 Agriculture Outlook. Committee on Agriculture, Nutrition and Forestry, U.S. Senate, 96th Congress, 2d Session," Wash., 1981, p 102.

Export shipments have been an important factor in the development of U.S. agriculture. At present, 1 out of every 3 hectares of farmland in the United States is used to raise export products.⁶ In 1978 export revenues accounted for 28 percent of the farmer's income. The proportion exceeded 60 percent in the case of the producers of the main agricultural products. In 1978, for example, this indicator was 87 percent for rice producers, 80 percent for wheat producers, 75 percent for soybean producers and 62 percent for corn producers.⁷

Agricultural products are one of the main elements of U.S. foreign trade. In 1980 they accounted for 12.7 percent of all foreign trade turnover--that is, for a higher percentage than machine-building products.⁸ This is also the most profitable element of this trade and has played an extremely important role in reducing the deficit in the balance of foreign trade over the last decade. Between 1970 and 1980 exports accounted for 75 percent of the increment in foreign agricultural trade while imports accounted for only 25 percent. Whereas in 1970 the positive balance of U.S. foreign agricultural trade was equivalent to 1.5 billion dollars, in 1981 the figure reached 26.6 billion.⁹

Agricultural Exports

The decade of the 1970's was marked by the particularly rapid (in comparison to the entire postwar period) growth of U.S. agricultural exports. The volume increased 2.6-fold during this period, and the value increased 5.9-fold. As a result, in 1981 agricultural exports amounted to 163 million tons in natural terms and had a value of 43.3 billion dollars.¹⁰

The growth of agricultural exports was primarily a result of increased exports of foodstuffs. They accounted for 90 percent of the increase in export value and 99 percent of the increase in volume.¹¹

Grain and grain products accounted for 72 percent of the increase in the physical volume of agricultural exports, and oil-bearing seeds and the products of their processing accounted for 17 percent.¹²

Grain was the main agricultural export in 1981, both in terms of volume and in terms of value (45 percent). The export volume reached 114.2 million tons (2.8 times as great as the 1970 figure, or 72.9 million tons more), including 65.3 million tons of exported fodder grain (mainly corn), 45.2 million tons of wheat and 3.2 million tons of rice.

An analysis of the structure of American grain exports testifies to a gradual increase in exports of fodder grain. For example, whereas wheat accounted for 46 percent of natural export volume and fodder grain accounted for 50 percent of this volume in 1970-1972, the figure for wheat dropped to 34 percent in 1978-1980 while the figure for fodder grain rose to 63 percent. The export volume of oil-bearing seeds in 1981 was double the 1970 volume and totaled 32 million tons. This included an increase from 11.9 million to 21.8 million tons in soybean exports and from 3.8 million to 6.8 million tons in soybean groats. Exports of sunflower seeds have been growing since 1977. In 1981 the figure reached 1.7 million tons.¹³ The increased exports of grain and oil-bearing seeds gave the United States a virtual monopoly in the world food market. For example, in 1979 the United States accounted for 52 percent of all world grain exports and 67 percent of all soybean and soybean groat exports.¹⁴

Animal husbandry products play a much smaller role in American exports. Despite the slight increase in export volumes (from 160,000 to 440,000 tons in the case of red meat and from 60,000 to 390,000 tons in the case of poultry), animal husbandry accounted for slightly over 1 percent of the export volume and 9 percent of export value in 1981. Export shipments between 1970 and 1980 absorbed only 10-15 percent of the meat produced in the country.

There has been a slight increase in exports of vegetables, fruit and nuts (from 1.96 million tons in 1970 to 3.4 million tons in 1980). These products accounted for less than 2 percent of the total agricultural export volume in 1980 and less than 7 percent of export value.¹⁵

The growth of U.S. agricultural exports was accompanied by geographic changes. Although most of these products are still being shipped to the developed countries, their share of total exports in the capitalist world dropped from 65 percent in 1970 to 56 percent in 1981. The share of the developing countries rose from 35 to 44 percent during the same period.

Table 2

Geographic Structure of U.S. Agricultural Exports, %

<u>Regions</u>	<u>1970</u>	<u>1975</u>	<u>1981</u>
Western Europe	39	37	32
Japan	17	16	18
Other countries	9	7	6
Developing countries	35	40	44
Breakdown:			
Asia	21	23	19
Latin America	10	11	18
Africa	4	6	7

Compiled according to: FATUS, September/October 1980, p 84; January/February 1982, p 10.

American shipments of agricultural products to the developed capitalist countries are constantly growing. Their value increased from 4.6 billion dollars in 1970 to 20.6 billion in 1981. Exports to the European capitalist countries amounted to 11.8 billion dollars in 1981 (32 percent of the value of exports to the capitalist developed and developing countries), including a figure of 9.1 billion dollars (or 25 percent) for the EEC countries. Japanese imports of American agricultural products reached 6.6 billion dollars (18 percent). The United States supplies the markets of Western European capitalist countries and Japan primarily with fodder grain, soybeans, soy groats and soybean oil, cotton (particularly Japan), high-quality meat, nuts and lard. Export ties with these countries have become traditional and are relatively strong. In spite of this, however, the United States often has to deal with crises in the world food market when capitalist competition grows more intense. One example of this was the 1973 embargo on exports of grain and soybeans from the United States, which was particularly injurious to Japan and shook Japan's trust in the United States as a reliable trade partner. Since that time, Japan has made constant efforts to expand the group of its suppliers of fodder grain and oil-bearing seeds. The policy pursued by the EEC in agricultural trade, which complicates the unimpeded penetration of the community market by American goods, is a source of constant irritation to American trade companies and the Washington administration. Experts believe, however, that this market will continue to play the deciding role in American exports. Western Europe and Japan will continue to display a high and stable demand for American foodstuffs, especially feeds.

American agricultural exports to the developing countries amounted to 16.3 billion dollars in 1981, or 44 percent of the total value of exports to all parts of the capitalist world. Most of the products were shipped to Asia--7.1 billion dollars (19 percent), which was followed by Latin America--6.4 billion (18 percent) and Africa--2.8 billion (7 percent). The main U.S. exports to the developing states are wheat and soybean oil. Countries with a higher per capita income also receive fodder grain, soy groats, dairy products and animal

husbandry products (beef, veal, pork and poultry) from the United States. According to American economists, in the 1980's agricultural exports will play an increasingly important role in relations with the developing states. Shipments of foodstuffs to their markets are regarded as an important element of U.S. political leverage in these regions and a means of paying for shipments of energy and mineral resources from these states. Mexico, Venezuela and Nigeria are considered to be the most promising countries for the development of American agricultural exports.¹⁶

Assessing the prospects of trade with the developing countries in the coming decade, Professor M. Cook from the University of Texas, expert on international trade, postulates that the annual growth rate of exports to the developing countries in the 1980's will be 6 percent, or twice as high as the rate for developed countries.¹⁷ A favorable situation for the development of American exports is taking shape in the oil-producing countries of the Middle East. Although these countries have enormous potential for the development of their own agrarian production, they invariably display a high demand for animal husbandry products and fodder from the United States, secured by their high revenues from oil sales.

An analysis of the commodity and geographic structure of exports testifies that the United States has been able to augment export volume in terms of virtually every indicator by not failing to take advantage of even the slightest opportunity to strengthen its position in the world food market. This has been a deliberate process, displaying a clear tendency toward the monopolization of major food markets--grain and oil-bearing seeds--in order to establish control over the food networks of the developing countries importing foodstuffs and the developed capitalist powers whose animal husbandry is based on imported fodder grain and protein supplements. By 1980 the United States started to play the deciding role in these major markets.

The productive potential for the growth of American agricultural exports was created by the development of the agroindustrial complex, distinguished by its huge scales, strong material and technical base and substantial agricultural land resources. The total area suitable for the cultivation of agricultural crops in the United States amounts to 189 million hectares.¹⁸ Soil and climatic conditions (particularly in the main grain-producing regions) are extremely conducive to the development of agriculture and allow for the production of the main farming crops at a lower cost than in other countries.

The considerable U.S. potential for agricultural development, which was compounded throughout the postwar period, allowed for the expansion of production volume in the 1970's, when world food problems became acute. The production of grain and legume crops displayed particularly dramatic growth.¹⁹

The level and structure of agricultural production in the United States allowed for the export of 67 percent of the wheat produced in the country, 58 percent of the rice, 55 percent of the soybeans, 30 percent of the corn, 57 percent of the cotton and 35 percent of the tobacco in 1980.²⁰

The production base also rests on a developed infrastructure in rural regions (roads, storage facilities, elevators, repair and trade organizations,

telephone communications and computer centers),²¹ on a nationwide network of research organizations and a system for the dissemination and incorporation of research findings in production. The rates and scales of the development of this production and research infrastructure have surpassed the rates and scales of agricultural development itself.

The emphasis on the cultivation of fodder crops in high demand also played an important role in the development of agricultural exports. In 1980 the major fodder crops--corn, sorghum, barley, oats and soybeans--accounted for 78 percent of the total output of grain and legume crops and totaled 248.2 million tons in volume.²²

Agricultural Imports

The United States is not only the largest exporter of agricultural products in the world. It makes extensive use of the advantages of international division of agricultural labor in its own interest by importing the products it needs. In 1975-1979 it accounted for 8 percent of the value of world imports.²³ Now the United States is the largest importer of agricultural goods in the world. In terms of value, its imports tripled between 1970 and 1981 and reached 16.8 billion dollars. The rising value of imports has been due primarily to the rising prices of the main imported products. The actual volume of U.S. agricultural imports remained stable during this period and totaled 10-12 million tons (10.7 million in 1980).²⁴

The main U.S. import goods have been tropical products (5.7 billion dollars in 1981, or 34 percent of the total value of imports). The most important role among these is played by food products: coffee (1 million tons), cacao beans (400,000 tons), bananas (2.3 million tons), spices and tea.

Animal husbandry products (mainly beef, veal, pork, lamb and cheese) were an important import item in 1980. They accounted for 21 percent of the value of imports--3.5 billion dollars--totaling 900,000 tons in natural terms.

Other significant import products are sugar (4.6 million tons valued at 2.1 million dollars), fruit, nuts, vegetables, vegetable oil and wine and other beverages.²⁵

The commodity structure of American agricultural imports and its stability indicate a definite import strategy. It is aimed primarily at guarding the domestic market against foreign competition. Import goods which are also produced in the United States account for a negligible percentage of national consumption. Animal husbandry products are a characteristic example of this. In 1976, for example, imported beef and veal accounted for 7 percent of national consumption, cheese accounted for 6 percent and pork accounted for 3 percent. The figures are slightly higher in the case of imported vegetables, fruit and industrial crops (24 percent of the tomatoes, 29 percent of the cucumbers, 29 percent of the tobacco, 22 percent of the mushrooms and 20 percent of the frozen strawberries). Only in the case of such products as sugar and wool is almost half of U.S. demand covered by imports (47 percent of the wool and 43 percent of the sugar).²⁶

Table 3

Commodity Structure of U.S. Agricultural Imports, Millions of Dollars

<u>Products</u>	<u>1970-74</u>	<u>1975-79</u>	<u>1981</u>
Products not produced in the country	2,516	5,764	5,698
Coffee, cocoa and tea	1,596	4,382	3,931
Rubber	296	615	769
Bananas	190	315	541
Spices	68	119	138
Others	367	360	319
Products produced in the country	3,864	7,297	11,081
Animal husbandry products	1,935	2,686	3,486
Sugar	1,172	1,285	2,141
Vegetables, fruit and nuts	677	1,226	2,032
Oil-bearing seeds and vegetable oil	307	595	872
Tobacco	162	334	354
Others	568	1,127	2,196
Total	7,339	13,056	16,779

Compiled according to: FATUS, February 1978, pp 62-63; February 1979, p 42; January/February 1980, p 62; January/February 1982, p 38.

Imports of products produced in the United States are largely the result of the activity of transnational food companies of primarily American origin. Until recently, many types of agricultural products (this is particularly true of vegetables and fruit) were cultivated under suitable climatic conditions in the United States. Through the efforts of food industry magnates, their production was moved to the developing countries. Plantations in these countries attract American capital because of the possibility of minimizing production costs, primarily as a result of cheap labor and the lower cost of land and water. For example, around two-thirds of the winter and spring vegetables now consumed in the United States are grown in Mexico.²⁷ The traditional crops which were once raised to fill the needs of the local population of these countries, such as corn, rice, millet, wheat and beans, are gradually giving way to products which are staples in the diet of wealthy population strata in the developed capitalist countries--asparagus, cucumbers, strawberries, tomatoes, beef, poultry and even flowers. The income from the sale of these goods does not cover the cost of imported foodstuffs. By stimulating the agricultural exports of developing countries, transnational corporations are undermining the local base for the production of their traditional foods.

At the same time, U.S. imports of products which are cultivated in the United States have a negative effect on the position of local producers of these goods: They lead to the ruin of some farmers whose products cannot compete with cheaper imports from the developing countries.

Agricultural U.S. imports come mainly from the developing countries. The largest suppliers are the Latin American states (over 40 percent of the total),

where huge transnational food corporations have established highly intensive farms (using cheap land and labor), operating exclusively for the markets of the developed capitalist countries (cattle ranches, vegetable farms and fruit and berry plantations). Asia accounted for 17 percent of all imports in 1980 and Africa accounted for 7.5 percent.

The European capitalist countries provided the United States with only 17 percent of its imported products, mainly beverages, wine, vegetables and some meat products.²⁸

Food Expansion

The 1970's were marked by rapid U.S. expansion in the major world food markets--grain and food protein. Plans and preparations for the reinforcement of U.S. positions in this sector of world trade were being made throughout the 1970's within the framework of the government's export-import policy. This led to the restructuring of agricultural production and its adaptation to export needs. Shipments for export became one of the most important elements of agricultural development.

In 1981 American agricultural exports increased in value once again and totaled 43.3 billion dollars, while the positive balance of foreign trade in agricultural products reached the unprecedented level of almost 27 billion dollars.²⁹ The export volume of the main agricultural export item, grain, increased to 114.2 million tons.³⁰ More than 30 percent of the U.S. farmland used for grain cultivation is geared to the export market. Vice President R. Johnson of Cargill, the largest grain trading firm, believes that the figure could reach 40 percent by 1985 if this tendency should continue to develop in the 1980's.³¹

In the 1970's the U.S. Government took steps to strengthen government control over the export of agricultural goods and to stimulate its development. For this purpose, agrarian legislation was revised considerably; measures were taken to centralize the decision-making process in the area of foreign economic food strategy, and more authority was granted to executive agencies, especially the President of the United States, to make decisions on important matters pertaining to agricultural exports; the role of the State Department, the CIA and other agencies in the regulation of food exports was augmented; the program of food assistance to developing countries was revised in order to increase the demand for American agricultural products.

In September 1981 a new program for the crediting of exports by the Commercial Credit Corporation (CCC), which is active in financing American foreign trade, was adopted. According to this program, export credit is extended for terms ranging from 3 to 10 years (the term was previously limited to from 6 months to 3 years). The local currency obtained as a result of the sale of American foodstuffs on this kind of credit will be used for the development of a system for the shipment, storage, processing and sale of U.S. goods in the importing country.

Since August 1979 the CCC has been operating in line with a so-called program of insurance against non-commercial risks. In accordance with this program,

the CCC insures the credit extended by private banks against risks arising as a result of military operations, the confiscation of goods or the impossibility of converting local currency into American dollars. The purpose of the new program is the more active involvement of private banks in the financing of American agricultural exports and the promotion of broader sales of these goods. Within the first year after the program went into effect, the value of goods exported on this basis increased from 63 million dollars to 698 million, or 49 percent of all CCC export operations.³²

The creation of a special bank to finance trade with the developing countries is now being discussed in Congress at the initiative of the U.S. Department of Agriculture for the purpose of developing this trade.³³

Another way of instituting stricter control over agricultural exports is the compulsory registration of grain exporting firms with a sales volume of over 15,000 tons with the Department of Agriculture.

The growing agricultural exports are being used more actively in U.S. foreign policy for political as well as economic reasons (the threat of export limits was used against Bangladesh, India and some other developing countries and an embargo was imposed on shipments of soybeans to the Common Market countries and Japan). The use of the food trade as a means of political blackmail grew more intensive throughout the 1970's and reached its peak with the embargo on grain shipments to the USSR in January 1980. It inflicted substantial injuries on American farmers and was lifted by the current administration.³⁴

The Soviet Union also participates with other countries in the international trade in agricultural products. In particular, in 1981 it bought fodder grain from several countries, including 9.5 million tons of corn and wheat from the United States.³⁵

The embargo seriously harmed the U.S. position in world grain markets. The Common Market countries were able to gain a larger share of world grain exports when U.S. shipments were reduced. Many traditional importers of American grain were unable to maintain their previous level of purchases due to the lengthy economic crisis and rising prices. The resulting obstacles to the further augmentation of American grain exports again raised the problem of overproduction: The falling price of grain combined with the simultaneous rise of its production costs increased the farmers' debts and ruined many of them.

It is not surprising that the expansion of programs to limit farming areas, which have proved to be less effective than anticipated, has been accompanied by measures to stimulate agricultural exports as one of the chief ways of reducing agricultural surplus. The U.S. administration has employed various methods of expansion in world agricultural markets: from the exertion of direct pressure on countries involved in American policy or particularly dependent on American food shipments to the direct stimulation of U.S. exports by means of the offer of certain advantages to countries that could represent new or larger markets at the expense of other exporting countries. In this area, American imperialism does not consider the interests of any of its political

partners. The Reagan Administration's efforts to increase grain exports are particularly interesting in this connection. Congress has already allocated 300 million dollars for interest-free and low-interest loans to foreign purchasers of American grain during the current fiscal year. A similar program last year motivated some countries to abandon their traditional grain suppliers and purchase grain from the United States. The administration is also thinking of rewarding purchasers of American grain with additional free shipments.

Another, equally important problem (some experts even regard it as the main one) is the growing conflict between the need to preserve the nation's soil resources and the intensive growth of agricultural exports. Many studies conducted by the U.S. Department of Agriculture have indicated that the topsoil on the best farmlands is gradually being depleted by their excessive intensive use. Furthermore, the current level of scientific and technical development cannot compensate for the rate at which the soil is deteriorating. The continuation of this tendency could put the ability of the agribusiness and the American Government to increase food exports in question.

FOOTNOTES

1. For more about world food problems and the U.S. position, see V. F. Lishchenko and Ye. N. Vasil'yeva, "Some Aspects of the Food Crisis and the United States," SSSA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1979, No 6.
2. According to the international system of classification used in the FAO, the fodder grains are corn, sorghum, barley and oats. Food grains are wheat, rice and rye.
3. "World Agricultural Supply and Demand Estimates," 12 February 1981, pp 14-15.
4. Calculated according to "1979 FAO Production Yearbook," vol 33, Rome, 1980, pp 61-71, 93-95.
5. "1976 FAO Trade Yearbook," vol 30, Rome, 1977, pp 39-41; "1979 FAO Trade Yearbook," vol 33, pp 42-44.
6. FOREIGN AGRICULTURAL TRADE OF THE UNITED STATES (FATUS), December 1978, p 33.
7. Ibid., p 35.
8. SURVEY OF CURRENT BUSINESS, 1981, No 3, vol 61, pp S-18, S-19; FATUS, January/February 1981, pp 5, 38.
9. FATUS, February 1977, p 95; February 1979, p 10; January/February 1982, p 6.
10. Ibid., February 1979, p 10; January/February 1982, p 6.

11. Ibid.
12. Ibid.
13. Ibid.
14. "1979 FAO Trade Yearbook," vol 33, pp 109-144, 119, 120.
15. FATUS, February 1979, p 10; January/February 1981, p 5.
16. BUSINESS WEEK, 24 November 1980, p 55.
17. Ibid.
18. "1979 FAO Production Yearbook," vol 33, p 145.
19. "Agricultural Statistics 1980," Wash., 1980, pp 1, 129; "World Agricultural Supply and Demand Estimates," 12 February 1980, pp 6-8, 10, 14.
20. FATUS, December 1981, p 34.
21. For more detail, see Ye. N. Vasil'yeva, "The Production Infrastructure in Agriculture," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1975, No 5; V. F. Lishchenko, Ye. N. Vasil'yeva and A. N. Litvinov, "The U.S. Grain Elevator Industry," ibid., 1979, No 9.
22. "World Agricultural Supply and Demand Estimates," 12 February 1981, pp 6, 10, 14.
23. "1979 FAO Trade Yearbook," vol 3, pp 42-44.
24. FATUS, February 1977, p 95; January/February 1982, p 38; "Outlook for U.S. Agricultural Exports," 19 February 1981, p 13.
25. FATUS, January/February 1982, pp 39-41.
26. Ibid., January 1978, p 16.
27. E. Feder, "The Penetration of the Agricultures of the Underdeveloped Countries by the Industrial Nations and Their Multinational Corporations," Institute of Social Studies, The Hague, 1975, p 8.
28. "U.S. Foreign Agricultural Trade Statistical Report, Calendar Year 1979," October 1980, pp 224, 225, 233, 242, 253.
29. "U.S. Foreign Agricultural Trade Statistical Report, Calendar Year 1981," April 1982, p 1.
30. Ibid., p 9.
31. BUSINESS WEEK, 24 November 1980, p 54.

32. FATUS, January/February 1981, pp 93-95.
33. BUSINESS WEEK, 24 November 1980, p 55.
34. SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1981, No 6, pp 52-55.
35. "Vneshnyaya torgovlya SSSR v 1981 g." [USSR Foreign Trade in 1981], Moscow, 1982, p 272.

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INTERNATIONAL ECONOMIC ROLE OF PACIFIC STATES STRESSED

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 6, Jun 83 (signed to press 19 May 83) pp 60-70

[Article by A. B. Parkanskiy: "The Pacific States: Tendencies in Foreign Trade and Economic Development"]

[Text] The economic development of the United States under the conditions of structural and cyclical crises is now being accompanied by considerable changes in the distribution of productive forces and by the broader regional differentiation of economic activity. The possibility of changes in the earlier regional division of labor is connected with the fact that some regions still have great potential for capitalist development "in depth and breadth." In particular, one of the distinctive features of U.S. economic affairs in the postwar period, particularly in the last decade, was the quicker development of the nation's western region. This is particularly true of the Pacific States. In American statistics the term refers to California, Washington, Oregon, Alaska and Hawaii. Their population increased around 1.5-fold just between 1960 and 1980 (while the total U.S. population increased less than 1.3-fold) and amounted to almost 31.8 million people, or around 14 percent of the national population (11.8 percent in 1960). In 1980, 14.3 percent of the able-bodied U.S. population lived here. In 1978 the Pacific States accounted for 11.9 percent of all those employed in the U.S. processing industry (7 percent in 1950) and 12.4 percent of its net product (7.9 percent in 1950). The "big five's" share of the American voting public increased from around 13.2 to 14.2 percent between 1970 and 1980.¹

The Pacific States and Mountain States make up the nation's largest region--the West.² They are far ahead of the Mountain States, however, in terms of population, degree of urbanization and level of economic, scientific and technical development in industry and agriculture. They have become one of the most highly developed U.S. regions in the industrial sense, along with the Northeast. But whereas the proportion accounted for by the Northeast in the national economy has constantly decreased in the postwar period, that of the Pacific States has increased.

Furthermore, the Pacific States are playing an increasingly important role in U.S. foreign economic expansion and in international trade, scientific, technical and economic ties. In the middle of the last century K. Marx and F. Engels

were already pointing out the "special importance" of the rapid colonization of the Pacific West, and particularly California, to the development of all world trade, consisting "in the stimulus California's mineral wealth has given capital throughout the world market, in the revitalization experienced by the entire west coast of America and east coast of Asia and in the new sales market in California and in all countries where California's influence has been felt."³

All of this has strengthened the political influence of the Californian, or southwestern, regional group of U.S. monopoly capital in the determination of U.S. domestic and foreign policy and directly in the pursuit of this policy.⁴ As early as 1975, then President G. Ford said: "The center of political power in the United States has moved to the West. Our Pacific interests and concerns have grown."⁵ Comments like these reflect real changes in the nation's regional development.

All of this makes the continued study of current trends in the foreign trade and economic development of the American Pacific West expedient. This kind of research will aid in the more thorough understanding of the present and future place of this region on the U.S. economic and political map, as well as its immediate and long-range interests and positions in the Pacific basin. As V. I. Lenin remarked, the "gigantic area of the United States, just slightly smaller than all of Europe, and the tremendous diversity of economic conditions at different ends of the country certainly necessitate the separate examination of the main regions, which are quite different from one another in terms of economic conditions."⁶

Here it should be noted that American statistics on the economic development of the Pacific States are relatively meager, fragmentary and inaccessible. This means that the researcher must sometimes look into the facts and figures published by state governments, banks, private corporations and organizations.

I

Prior to World War II the Pacific States lagged far behind the nation's old industrial regions in terms of economic development. Their economy was based on the mining and woodworking industries, agriculture and fishing, although California and Washington were already distinguished by a highly developed aircraft and shipbuilding industry.

World War II accelerated the development of the processing industry in the Pacific States. The government's huge military orders stimulated the development of military and other branches of industry in the region and established a foundation for the growth of its economic, scientific and technical potential. The subsequent colossal inflow of government funds and the state-monopoly policy aimed at securing an arms race and the related types of research were the main reasons for the accelerated development of California, Washington and some other states in the first postwar decades. An important role was also played by such factors as the region's substantial energy resources, rich deposits of several minerals, favorable climate and supply of skilled manpower.

At the beginning of the 1980's the basis of the economy in the Pacific States already consisted in scientifically and technically advanced branches of the processing industry (aerospace, electrical equipment and instrument-building), intensive agricultural production and a developed infrastructure. For example, the volume of goods and services produced in California, the most highly developed state in the region in the industrial and agricultural sense, amounted to around 400 billion dollars in 1982, according to American estimates.⁷ If California were a separate country, it would rank eighth in the world in terms of this indicator and would be ahead of such countries as, for example, Canada and Italy. According to the latest available data (1980), the Pacific States account for around 11.3 percent of all products shipped out of the U.S. processing industry. As Table 1 illustrates, California leads the region in the output of finished manufactured goods (176.7 billion dollars), and Washington ranks second (35.5 billion).

Table 1

Dynamics of Processing Industry Output, Billions of Dollars

<u>Regions</u>	<u>1976</u>	<u>1980</u>	<u>1980, % of 1976</u>
United States	1,185.7	1,849.1	156
California	102.0	176.7	173
Washington	18.8	35.5	188
Oregon	12.3	18.9	154
Hawaii	1.9	3.2	94
Alaska	1.0	1.8	324
Pacific States	136.0	236.1	174
% of total output value	11.5	12.8	-

Calculated according to COMMERCE AMERICA, 22 May 1978, p 3; BUSINESS AMERICA, 22 February 1982, p 13.

The economic development of the Pacific States is directly related to scientific and technical progress. This is the location of such huge research centers as, for example, the University of California and Stanford University, with their many laboratories and institutes, the RAND Corporation and the Ames research center.

The high concentration of research activity in these states is connected primarily with the military industry and the economic branches serving it. By the beginning of the 1970's these states already accounted for 42 percent of all people employed in the American aerospace industry and more than one-third of all those employed in the manufacture of optical instruments. California alone accounts for 40 percent of all the blue- and white-collar workers engaged in the manufacture of arms and ammunition in the nation. In 1978 this state accounted for 50.8 percent of all NASA contracts and 27.3 percent of Defense Department contracts. The total contracts received by the state from these agencies amounted to 9 billion dollars in 1978 and 10.1 billion in 1979. California's aerospace industry alone employs around half a million people.⁸

It should be stressed that military business is the main factor in the reinforcement of the monopolistic bourgeoisie's economic and political influence in the Pacific and other western states. "For the new monopolistic bourgeois groups in the American West and Southwest," KOMMUNIST journal noted, "investment in the arms trade...has become one of the main sources, or perhaps the main source, of capital accumulations." The increasing strength of the western segment of the U.S. financial oligarchy, as some Soviet researchers have correctly pointed out, is one of the main reasons for the shift in the balance of forces in the American ruling class at the end of the 1970's and the beginning of the 1980's, "as a result of which the more reactionary segment (which can be described, using Lenin's term, as the "war party") has pinned down its moderate wing and has gained the upper hand."⁹

The tremendous importance of military business to the giant monopolies is attested to by the following fact. On 31 July 1980 the value of the military contracts received by Litton Industries totaled 4.5 billion dollars, and the work on these contracts accounted for more than 27 percent of this huge conglomerate's total profits that year.¹⁰

One result of the Reagan Administration's 5-year military program is supposed to be the further reinforcement of the position of the Pacific West, especially California, in the military-industrial complex. According to experts from the California state administration and Wells Fargo Bank, within 5 years the proportion accounted for by California capital in total government military orders will increase from 22 percent to a minimum of 30 percent. California corporations are the developers and producers of all of the main strategic weapon systems now being manufactured in the United States. In particular, they are among the Pentagon's main contractors in the manufacture of components for the MX system and B-1 bomber (Rockwell International is the chief contractor), in the development of the new strategic Stealth bomber (the head contractor is the Northrop Corporation) and in the construction of the Trident II, Pershing II and cruise missiles. In all, 8,550 California companies are on the list of U.S. Defense Department contractors.

This matter has another important aspect. Since most of the facilities of the monopolies making up the military-industrial complex are located in the western and southern states, the current sharp increase in military spending means that much of the federal budget will be redistributed in favor of monopolistic groups in these regions and "at the expense" of monopoly capital in the Northeast and Midwest. They, according to American estimates, will thereby "lose" a total of 286 billion dollars between 1982 and 1986.¹¹ The accuracy of these calculations could be questioned, but there is no question that one of the results of Ronald Reagan's military program will be the further reinforcement of the positions of the southwestern group of monopolists.

The Pacific States have a large and diversified agricultural sector. Furthermore, the presence of favorable natural, technical and economic conditions (large capital investments per unit of farmland, a high level of production concentration and mechanization and the relatively rapid incorporation of the latest technical improvements) allows for the production of far more within a smaller agricultural area than in other states. For example, according to the

latest available data, the value of the agricultural product sold by this group of states in 1978 totaled 13.1 billion dollars, or 12.2 percent of the national value. The main producer is California, which accounted for more than 71 percent of all Pacific State sales in 1980. Washington ranked next, with 15.9 percent of the total. In Alaska there is virtually no agriculture; the value of the sold product here was only 8 million dollars in 1978.¹²

The economic development of the Pacific States has been marked by the same acute socioeconomic problems encountered by capitalist America as a whole. For example, the considerable dependence of the economy of these states on military production is a destabilizing factor and gives rise to disparities in their economic development.

In the late 1970's and early 1980's the decision to escalate the arms race brought another gold rush to the California industries connected with the Pentagon and NASA. As experts from Security Pacific Bank, one of the state's largest banks, reported with pleasure, "the greater importance attached to military expenditures by the Carter and Reagan administrations put the industry (aerospace--A. P.) on the track of even more dramatic growth, and this will apparently continue at least until the middle of the 1980's."¹³ In spite of these optimistic predictions, the beginning of the 1980's was a time of heightened activity in the military industry but it was also a time of severe crisis for many civilian branches of the California economy--housing construction, the production of durable consumer goods, etc.

In general, the expansion of military production and the continued rise in military spending will not bring about the total economic recovery of the Pacific States over the short or long range. On the contrary, this will eventually exacerbate socioeconomic problems in the region because it will lead to the redistribution of colossal resources to the military sector from branches where they could have a tremendous national economic impact. The higher expenditures on arms production are impeding overall economic growth and the enhancement of production efficiency.

The already large army of unemployed in California is constantly growing. In 1970 there were 591,000 totally unemployed people in California, in 1980 there were 759,000 and in September 1982 there were 1.2 million. According to preliminary calculations, prices rose 9.1 percent in 1982. In addition to this, the accelerated industrial development of the Far West has seriously polluted the environment, and the rapid process of urbanization has given rise to a complex group of urban problems.

II

The economy of the Pacific States depends largely on foreign economic ties. Even the infrequently published data indicate that foreign markets are of vital importance to the development of the processing industry in these states. Furthermore, the degree to which production in these states is geared to the foreign market is much greater than the national average: In 1980 the proportion accounted for by exports in the output of their processing industry was 1.6 times as great as the national average.

Table 2

Importance of Exports to Regional Processing Industry

<u>Categories</u>	<u>United States</u>	<u>Pacific States</u>	<u>California</u>	<u>Washington</u>	<u>Oregon</u>	<u>Alaska</u>	<u>Hawaii</u>
% of exports in total value of products shipped							
1976	7.0	9.2	7.9	17.2	6.7	23.5	9.9
1980	8.4	13.3	14.2	29.6	16.1	36.9	5.0
Total employment, in thousands							
1976	18,753	2,064	1,600	244	188	8	24
1980	20,662	2,649	2,078	313	220	12	26
Employment in export production, in thousands							
1976	1,173	172	124	30	13	2	3
1980	1,505	277	192	59	21	4	1
Employment in export production, %							
1976	6.3	8.3	7.8	12.3	6.9	25.0	12.5
1980	7.3	10.5	9.2	18.8	9.5	33.3	3.8
% of exports in agrarian sales,							
1977	25.5	--	19.2	23.0	17.5	--	18.0

Calculated according to CALIFORNIA EXPORTS, November 1978, pp 10, 12; "Statistical Abstract of the United States 1979," Wash., 1979, pp 803, 812; BUSINESS AMERICA, 22 February 1982, p 13.

Table 2 shows that the processing industry in Alaska is most dependent on foreign sales markets, with the state of Washington ranking second. The indicator is 14.2 percent for the largest industrial state, California. The indicators for Oregon also exceed the national average.

The number of people employed in the export sector of the processing industry in the Pacific States increased 1.6-fold between 1976 and 1980, while the total number of people employed in the processing industry increased 1.3-fold. As a result, the proportion accounted for by export production employees in the total number rose even higher during this period and far exceeds the national average. In 1980, for example, one-third of the employees in the processing industry in Alaska, around one-tenth in California and one-fifth in Washington were working on exports. In the five states as a whole, 277,000 people in the processing industry work directly on exports.

Certain branches of the processing industry are geared even more to foreign markets and constitute the basis of the state's export specialization. For example, according to some American estimates, around 30 percent of the entire increment in the products of transport machine building in California between 1972 and 1976 was the result of larger export shipments. A similar situation can be seen in branches of the extractive and food industries. The great importance of foreign sales markets to the development of these industries in Alaska, for example, is well known: By the beginning of the 1970's the main branches of the state economy--the lumber, woodworking and fish industries--were completely dependent on Japanese demand. In the 1970's around one-fourth of all the wood produced in Washington and more than one-tenth of that produced in Oregon were exported, and almost all of this wood was sent to Japan.¹⁴

Much of the product of the extractive industry is consumed by export production in the processing branches. We should also remember that thousands of people employed in transportation and communications, in public services, in administration and so forth are also working on foreign trade. Besides this, many workers and employees manufacture goods used in export production in other parts of the nation. The number of people employed "indirectly" in export production just in the processing industry of the Pacific States was 153,000 in 1980, including 122,000 in California.¹⁵ According to the California Council for International Trade, another 80,000 people in this state are employed in the international service sphere (engineering, insurance and export-import corporations and banks).¹⁶

Agriculture in the Pacific States is geared to foreign sales markets even more than the processing industry. For example, the proportion accounted for by exports in total agricultural sales in fiscal year 1977 was 19.2 percent in California, 23 percent in Washington, 18 percent in Hawaii and 17.5 percent in Oregon. The production of some goods depends almost completely on foreign markets. For example, according to the Washington State Department of Commerce and Economic Development, 80-85 percent of all the wheat produced here is sold abroad. In 1980 more than 75 percent of California's entire cotton and rice harvest and 30 percent of its lemons were exported; what is more, California cotton accounts for almost 60 percent of all U.S. cotton exports.¹⁷

Published information about the state of Washington illustrates the importance of exports in the region's economic development. This information indicates that the per capita value of state exports was already 1.8 times as high as the national average in the middle of the 1970's--1,100 dollars as compared to 600 dollars. The proportion accounted for by exports in the total value of goods shipped out of the state rose from 8 percent in 1963 to 20 percent in 1976. Around 79,800 people, or approximately 5 percent of all workers and employees in the state, are engaged directly in the manufacture of goods for export and the rendering of export-related services. Almost half of them work in the processing industry (including one-fourth in the aerospace industry). If the indirect influence of exports on employment is taken into account, in 1976, 1 out of every 6 people in the labor force was working on exports (1 out of every 16 in 1960), and the total number of employees of this category was 278,700 (68,600 in 1960). According to American experts, 32 percent of all the people employed in the extractive industry and 17 percent in public

services were working on exports in 1976. In branches specializing to a considerable extent in exports, the percentage of people employed in export production was much higher. For example, more than 45 percent of the workers and employees in the aerospace industry and almost 60 percent in wheat production were working on exports in 1976.

Imports are also quite significant in the Pacific States. Imports cover the economy's need for several extremely important commodities, particularly energy resources, other raw materials and consumer goods. Machinery and equipment components, parts and accessories requiring further assembly at enterprises of the processing industry represent a large share of these imports. Besides this, many of the goods imported through the Pacific States for other regions undergo some kind of processing here. One example is the assembly of light-weight trucks and passenger cars imported from Japan, the FRG and Italy.

It would be difficult to calculate the total effect of imports on regional employment. According to the California Council for International Trade, 145,000 people in the state in 1980 had jobs due either directly or indirectly to the influence of commodity imports. According to other American estimates, the figure ranged from 96,000 to 385,000. It is known that more than 20,000 Californians are engaged just in the sale of imported motor vehicles.¹⁸

Therefore, strong economic, scientific and technical potential was established in the Pacific States in the postwar period, especially in the 1970's. In turn, the economic development of the region created favorable conditions for the active foreign trade expansion of monopolies operating here and for the transformation of the region into an important center of international trade.

The current U.S. administration is giving the monopolies of the Far West extensive assistance in foreign expansion, especially in Asia and the Pacific. The direct financing of sales of aviation equipment by the U.S. Export-Import Bank is a characteristic example of this. Within just 2 years, 1981 and 1982, the bank extended more than 630 million dollars in credit to airlines in Japan, Thailand, Australia, New Zealand and other countries of this region for the purchase of American planes. Furthermore, more than 92 percent of the total was earmarked for the purchase of planes from the Boeing Corporation (in Washington).¹⁹

III

K. Marx and F. Engels once wrote: "Both of the Pacific coastlines will soon be as densely populated, as open to trade and as developed in the industrial sense as the coastline from Boston to New Orleans is now. Then the Pacific Ocean will play the same role as the Atlantic Ocean plays now and the Mediterranean Sea played in antiquity and in the Middle Ages--the role of a great waterway for world relations."²⁰ The history of the 20th century has proved the accuracy of this prediction. The more important economic and political role of the countries located in the Pacific basin and the growth of their international significance have been largely responsible for the development of the economy and foreign economic ties of the American Pacific West.

Table 3

Foreign Trade of Pacific States

<u>Years</u>		<u>Commodity turnover</u>	<u>Exports**</u>	<u>Imports</u>
1960				
	in billions of dollars	4.3	2.5	1.8
	in %*	12.4	12.7	11.9
1965				
	in billions of dollars	6.2	3.5	2.8
	in %*	13.1	13.2	12.9
1970				
	in billions of dollars	13.4	7.1	6.3
	in %*	16.4	16.9	15.8
1975				
	in billions of dollars	34.5	16.9	17.6
	in %*	16.9	15.7	18.3
1980				
	in billions of dollars	93.5	46.3	47.2
	in %*	20.3	21.0	19.7

* Percentage of national foreign trade.

** Including exports of goods manufactured in other parts of the country. They represent a negligible portion of the goods exported from Pacific customs districts.

Calculated according to "Historical Statistics of the United States. Colonial Times to 1970," Wash., 1975, pt II, pp 889, 896; HIGHLIGHTS OF U.S. EXPORT AND IMPORT TRADE, July 1982.

Active foreign trade has given the region a prominent place in the foreign trade relations of the United States as a whole. The foreign trade volume of the five states exceeded 93 billion dollars in 1980 (see Table 3). Between 1960 and 1980 their share of national foreign trade turnover increased from 12.4 percent to 20.3 percent, including an increase from 12.7 to 21 percent in exports and from 11.9 to 19.7 percent in imports (see Table 3). Their share of the trade in finished manufactured goods is being augmented quite dramatically. Between 1966 and 1980, for example, the export product of the U.S. processing industry increased 7.3-fold, but the figure was 10.8-fold in the Pacific States. As a result, their share of total exports of finished goods rose from 12.1 to 18 percent (see Table 4). This indicator is perceptibly higher than the Pacific States' share of the total value of the output of the U.S. processing industry that same year (11.3 percent), clearly indicating that this industry is geared much more to foreign markets in these five states than in the nation as a whole.

California is the leader in their foreign trade--56.2 billion dollars in 1980, or more than three-fifths of the entire commodity turnover of the "big five."

It also accounts for a large share of all U.S. foreign trade--12.2 percent in 1980.²¹ Furthermore, the growth of trade has been particularly dramatic in southern California--the largest Pacific foreign trade center in the United States. Almost two-thirds of California's foreign trade, more than half of the foreign trade of the Pacific States and over 7 percent of the national foreign trade turnover pass through its 15 sea ports and airports.

Table 4

Exports of Pacific States, Millions of Dollars

<u>Regions</u>	Processing Industry				
	<u>1966</u>	<u>1972</u>	<u>1976</u>	<u>1980</u>	<u>1980, % of 1966</u>
United States	21,299	36,608	83,098	155,103	728
Pacific States	2,586	4,827	12,547	27,874	1,078
% of U.S. exports	12.1	13.2	15.1	18.0	--
California	1,786	2,809	8,072	16,530	926
Washington	602	1,781	3,235	8,738	1,451
Oregon	143	237	824	1,946	1,361
Alaska	38	--	233	591	1,556
Hawaii	17	--	183	69	406
Agriculture					
	<u>1968</u>	<u>1970</u>	<u>1977</u>	<u>1977, % of 1968</u>	
United States	6,345	8,050	24,013	380	
Pacific States	630	837	2,467	392	
% of U.S. exports	10.0	10.4	10.3	--	
California	413	592	1,774	430	
Washington	152	163	414	272	
Oregon	49	65	182	371	
Alaska	--	--	38	--	
Hawaii	16	17	59	369	

Calculated according to CALIFORNIA EXPORT, Wash., November 1978, pp 10, 12; "Statistical Abstract of the United States 1979," pp 803, 812; BUSINESS AMERICA, 22 February 1982, p 13.

Washington is in second place. In the 1970's its participation in foreign economic transactions grew constantly, and in 1979 its foreign trade turnover totaled 17.4 billion dollars, displaying an almost 11-fold increase since 1965. Oregon ranks third (5.3 billion dollars in 1979), Hawaii ranks fourth (1.5 billion) and Alaska ranks fifth (just over 1 billion).

The Pacific States trade mainly with the countries in the Pacific basin. In the past decade they, especially Asia and the Pacific (Southeast Asia, the Far East, Australia and Oceania), have tended to play a more important role as an area of U.S. foreign policy and economic expansion. The export markets and cheap labor and natural resources of the Pacific countries are particularly important to the United States now that its foreign trade positions in general have grown relatively weaker.

This tendency is reflected in the rapid growth of American direct private investments and imports of U.S. goods and technology in this region. For example, between 1970 and 1980 the volume of direct private U.S. investments in the Asian and Pacific countries increased almost 3.2-fold--to 22.3 billion dollars--while total U.S. foreign investments increased 2.7-fold; trade with the countries of this region increased almost 6-fold--to 105.2 billion dollars. The Pacific countries supply the United States with almost all of its imported products of the semiconductor industry. A network of enterprises controlled by American electrical equipment corporations, most of which are located in California, has been created here and is now being actively enlarged.²² The same countries supply the United States with large quantities of consumer goods. In all, the Asian and Pacific region's share of the foreign trade of the Pacific States was almost three-fifths at the beginning of the 1980's, while Latin America's share was less than one-sixth, Western Europe's share was one-seventh and Canada's was one-eighth. The countries of this region account for three-fourths of all export-import operations in California and Oregon, four-fifths in Washington and Hawaii and almost all of Alaska's foreign trade. The five states trade mainly with the countries of Northeast and Southeast Asia, with Japan in the lead.²³

The significant differences in the conditions, nature and level of economic development in the five different states predetermine some features of their foreign trade specialization. For example, California specializes in exports of machines and equipment (more than half of its total exports). It is the largest exporter of products of the processing industry in the United States: 16.5 billion dollars in 1980, or twice the 1976 figure (see Table 4). Furthermore, California leads the nation in exports of electrical equipment and ranks second in exports of transport and non-electrical equipment. Exports of non-energy resources, especially textile fibers, iron ore, scrap iron, leather and paper resources and fertilizer, also play an important part in its economy. Chemicals have become one of California's important exports. This state is the largest exporter of agricultural products, with fruit, vegetables, grain and meat as its main exported foodstuffs.

Washington ranks second in the region and eighth in the nation in exports of processing industry products (8.7 billion dollars in 1980), with aircraft, spare parts for planes, wheat and wood making up three-fifths of its exports. Boeing, the huge aerospace corporation, has a monopoly on aircraft exports. Between 1970 and 1976 exports of these products more than doubled--to 1.5 billion dollars. Washington is also a major exporter of wood, pulp, paper, foodstuffs (wheat, fish and vegetables) and aluminum.

Timber, aluminum, wheat and meat make up the basis of Oregon's exports. Alaska's economic development in the past decade has been based primarily on exports of products of the lumber and pulp and paper industries and natural gas. They account for 50 percent and 30 percent respectively of all Alaskan exports. Hawaiian exports consist primarily of the products of machine building, agriculture and the food industry.

Moving on to an examination of the structure of the "big five's" imports, we should note that they have exceeded exports in recent years. In 1980 the

deficit in foreign trade amounted to 900 million dollars. Its basis consisted of purchases of industrial and energy resources, particularly petroleum and petroleum products. The Pacific West is rich in energy resources but does not satisfy its own need for these resources because it is more convenient for monopolies to import them. For example, Alaska, which is rich in oil and gas, satisfies its own need for petroleum products by importing them while much of Alaskan petroleum is not used locally or even in the other Pacific States (where oil refineries process mainly imported oil) and is sent to other parts of the country.

Oil, gas and the products of their processing constitute California's largest import item (one-fifth of the total). Non-energy resources account for a large share (around one-tenth). Machines and equipment are also important import items, primarily the products of the electrical equipment industry and transport machine building. Consumer goods are another important item. Animal husbandry and farming products are imported in large quantities--coffee, tea, spices, sea food, oils and fats, fruit, nuts and others.

Washington has traditionally had a positive balance of foreign trade, but increased imports of crude oil and natural gas have gradually reduced its size in recent years. They now account for two-thirds of all imports. Lumber is another important import item (one-sixth).

Fuel, construction materials, machines, equipment and spare parts for the extractive and oil and gas industries occupy a prominent place among Alaska's imports. Imports of these goods were particularly sizeable in 1975 in connection with the construction of the trans-Alaskan pipeline. By 1976, however, imports were reduced dramatically when most of the shipments for its construction had been made. Alaska imports a wide variety of foodstuffs and manufactured consumer goods.

Purchases of mineral, agricultural, timber and chemical resources and semi-manufactured products occupy an even more important place in Hawaiian imports than in the imports of other Pacific States. Even before the price of oil rose in 1973-1974, it accounted for two-thirds of all Hawaiian imports. The rest consisted of products of machine building and various manufactured commodities, primarily consumer goods.

It is significant that a high percentage of the imports of the Pacific States come from enterprises controlled by California, Washington and other corporations but located in the Pacific basin countries. At the basis of this tendency lies the desire of monopolies to lower costs and raise profits, to acquire sources of raw materials and to move production units which have little competitive potential or are ecologically "dirty" out of the country. Wages at enterprises in the developing countries of Pacific Asia are only one-eighth to one-tenth as high as wages in the United States and the other developed capitalist countries. Total working time at enterprises of transnational corporations in this region is approximately 1.5 times as great as working time in the Western countries as a result of the higher number of overtime hours, the longer workday, shorter vacations, etc.

American-controlled enterprises in the Pacific countries are often part of the transnational corporations' global production and sales system. It is no secret that this system gives them great advantages. In particular, in accordance with American customs legislation, U.S. corporations which send components and materials to their overseas enterprises for processing and then import the finished products to the United States pay duties only on the value added by overseas processing (in other words, excluding the value of the shipped components). Monopolies in the Pacific States make active use of these advantages. The activity of firms of the electronics industry, which is centered in California, is the most characteristic example of this. The low-duty intra-organizational imports of semiconductors manufactured by branches and affiliates of these firms in Singapore, Malaysia, South Korea, Hong Kong and Mexico accounted for around 80 percent of all American intraorganizational imports of semiconductors by the beginning of the 1980's, or 65 percent of the total quantity imported.²⁴

As for raw material branches, here an example is provided by the activity of the Caltex firm, organized jointly by California's SoCal and Texas' Texaco. By the beginning of the 1980's it was extracting two-thirds of all the oil produced in Indonesia. By controlling extraction, American capital can control the oil supply of the United States and the ASEAN countries, as well as some other states, primarily Japan.

Therefore, several long-range tendencies can be discerned in U.S. regional socioeconomic development, such as the partial transfer of modern processing branches to the Pacific Coast and the intensive development of several branches of agriculture and the extractive industry. One of the main results of these processes has been the growth of this region's foreign economic potential. Its international commercial contacts are expanding at a rate exceeding the national average. It would now be impossible to conceive of economic development in the Pacific States without foreign trade; furthermore, their export-import dependence now far exceeds the national average.

These processes have an important political aspect. The increasingly strong economies of California, Washington and the other Pacific States and the peculiar features of their development have augmented their role in U.S. politics and in policymaking in international affairs. Washington definitely realizes the value of the use of their growing economic potential in its Pacific strategy. In this connection, an interesting comment was made by former U.S. Assistant Secretary of State for Asian and Pacific Affairs R. Holbrooke, who underscored the great political significance of this region's active participation in economic relations with capitalist and developing countries in the Pacific basin. Holbrooke said: "If people in the American West continue to build special, closer relations with the Pacific region in trade, in cultural exchange, in contacts between individuals and in other ways, this will strengthen our nation and this entire vast region."²⁵ There is also no question that the United States' perceptibly more active Pacific policy in recent years, particularly in relations with Japan, the ASEAN countries and South Korea,²⁶ has been motivated to a considerable extent by the desire to secure the economic interests of the United States and its western monopolies in the Pacific basin.

In view of all this, we can assume that the Pacific states will play an even more important role in U.S. economics and politics in the next few years.

FOOTNOTES

1. Calculated according to "Statistical Abstract of the United States 1981," Wash., 1981, pp 10, 382, 497, 781.
2. For more about the postwar economic development of this region as a whole, see N. T. Kaburov, "The American West," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1976, No 8--Editor's note.
3. K. Marx and F. Engels, "Works," vol 7, p 461.
4. For more detail, see Val. Zorin, "The Monopolies and Washington," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1978, No 7, pp 27-37; 1978, No 8, pp 45-56; A. A. Kokoshin and Yu. K. Abramov, "The Composition of the Reagan Administration's Upper Echelon," ibid., 1982, No 11, pp 117-127.
5. WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, 14 December 1975, p 1357.
6. V. I. Lenin, "Poln. sobr. soch." [Complete Collected Works], vol 27, pp 135-136.
7. SOUTHERN CALIFORNIA, 31 June 1981, p 2.
8. "1979 Forecast," Los Angeles, 1978, p 52.
9. G. N. Tsagolov, "The Source of the Real Threat of War," KOMMUNIST, 1982, No 1, p 106.
10. "Litton Industries Inc. Annual Report for the Fiscal Year 1980," Beverly Hills, 1980, pp 34-35.
11. R. De Grasse et al, "The Costs and Consequences of Reagan's Military Buildup," Council on Economic Priorities, N.Y., 1982, p 29.
12. Calculated according to "Statistical Abstract of the United States 1981," p 665.
13. NORTHERN COASTAL COUNTIES OF CALIFORNIA, 30 November 1981, pp 3-4.
14. "United States-Japan Trade: Issues and Problems," Report by the Comptroller General of the United States, Wash., 21 September 1979, p 136.
15. BUSINESS AMERICA, 22 February 1982, p 13.
16. "Who Needs Foreign Trade? California Does," San Francisco, 1979, pp 2-3.
17. CENTRAL VALLEY COUNTIES OF CALIFORNIA, 31 July 1981, pp 1-2.

18. "Who Needs Foreign Trade? California Does," p 3.
19. ASIA TRAVEL TRADE, December 1982, p 43.
20. K. Marx and F. Engels, Op. cit., vol 7, p 233.
21. Calculated according to "Caltrade Highlights," San Francisco, 1982, pp 2-6.
22. "1978 Industrial Outlook," Wash., 1978, p 308; "1980 U.S. Industrial Outlook," Wash., 1980, pp 267-268.
23. N. Pierce, "The Pacific States of America," N.Y., 1972, p 287; OVERSEAS BUSINESS REPORTS, July 1980, pp 22-28; "Statistical Abstract of the United States 1981," pp 846-849.
24. "1978 Industrial Outlook," p 308; "U.S. Industrial Outlook 1982," Wash., 1982, pp 235-241.
25. DEPARTMENT OF STATE BULLETIN, August 1978, p 5.
26. For more detail, see V. P. Lukin, "O politike SShA v Azii v nachale 80-kh godov" [U.S. Policy in Asia at the Beginning of the 1980's], Moscow, 1982, pp 2-8.

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HIGHER CRUDE CONVERSION

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 6, Jun 83 (signed to press 19 May 83) pp 86-93

[Article by M. Ya. Kon' and V. G. Shershun]

[Text] When the energy crisis grew into one of the most important problems facing the U.S. petroleum refining industry, the need arose for the more intensive refining of petroleum with a view to the derivation of the maximum quantity of the most valuable products--motor fuels and petrochemical raw materials.

The petroleum refining industry, which satisfies almost the entire U.S. demand for motor and energy fuels, petrochemical raw materials, lubricants, coking coal, bitumen and other petroleum products, is one of the most important elements of the U.S. national economy. In terms of its development, the total capacity of its plants (902 million tons a year), the number of its plants (303) and the refining volume (631 million tons a year),¹ the United States occupies the leading position in the capitalist world.

Over the last decade the petroleum refining industry in the United States, just as in other capitalist countries, has undergone serious changes primarily as a result of two global factors: on the one hand, the limited nature of world petroleum reserves and the related rise in prices and, on the other, the stricter environmental protection requirements stemming from the higher percent of sulfurous crude and heavy crude in the worldwide oil recovery and refining volume.

The first of these factors led to stricter conservation measures and the reduced consumption of petroleum products, particularly the least valuable--residual oil (or fuel oil). This, in turn, required more intensive refining for the extraction of larger quantities of the most valuable products--motor fuels--and smaller quantities of fuel oil, as well as the improvement of refining processes and, in particular, the enhancement of their energy efficiency. The influence of the second factor is reflected in the need for considerable improvement in the quality of petroleum products (for example, the reduction of the sulfur content in diesel and boiler fuels, the curtailment of leaded gas production, etc.) with the simultaneous reduction of the negative environmental impact of oil refinery operations.

Reduction of Oil Consumption

It must be said that the effects of the dramatic rise in oil prices began to be noticeable only in the last 3 or 4 years: The United States is the only developed country in the capitalist world where absolute oil consumption and the proportion accounted for by oil in the national fuel and energy supply increased perceptibly during the 5 years following the oil crisis of 1973, despite the multifold price increase. In 1978, for example, absolute oil consumption totaled 946 million tons (48.6 percent)² as compared to 810 million (46.6 percent) in 1973. This was largely due to the United States' own relatively large resources of oil, the price of which (and of petroleum products) was controlled by the government until recently. Gradually, however, energy conservation measures reduced oil consumption after 1978, and its percentage of the national fuel and energy supply dropped to 43.2 percent in 1981.

The general economic depression combined with the significant rise in the prices of petroleum products, resulting from the lifting of price controls in 1981, further reduced oil consumption. By 1990 the proportion accounted for by oil in the nation's fuel and energy supply is expected to drop to 38.1 percent, and absolute consumption should decrease to 808 million tons a year.³ In particular, the enhancement of the fuel efficiency of motor vehicles from 6 (1978) to 8.9-9.3 kilometers per liter (1990) and the manufacture of more diesel vehicles is expected to reduce gas consumption by 20-30 percent; the use of more coal and nuclear energy should reduce the consumption of residual fuel by 15-30 percent; only the consumption of diesel and jet fuel is expected to increase (by 35-60 percent and 28-35 percent respectively),⁴ as well as the consumption of petrochemical raw materials.

In this way, passing through the "induction period" following the oil crisis of 1973, the United States entered a stage of continuous reduction in oil consumption.

It must be said that the United States, which has a tremendous number of motor vehicles, has always been distinguished by the high consumption of gasoline and other motor fuels; the proportion accounted for by residual fuels is relatively low (Table 1), and around 50 percent of the nation's demand for this product is satisfied through imports (the main petroleum product imported), primarily from the Caribbean countries.

In connection with this, petroleum refining in the United States is distinguished by a high concentration of breakdown processes (catalytic cracking, hydrocracking, coking), making it possible to convert the least valuable part of the oil--fuel oil--into more valuable products, as well as a high percentage of processes adding to the commercial value of petroleum products (reforming, alkylation, hydrorefining and several others). In all, the proportion of secondary processes to primary refining was 112.6 percent in 1981 (Table 2), and the degree of refining, measured in terms of the output of motor fuels and petrochemical raw materials, exceeded 75 percent. For the sake of comparison, the same indicators are only 55.4 and 60 percent respectively in Western Europe, another large world refining center.

In connection with the institution of stricter environmental quality standards, difficulties in the location of sites for the construction of large plants and,

what is most important, the system of government incentives existing prior to 1981 (compensation payments, less strict requirements on the lead content of gasoline, etc.), the total number of petroleum refineries increased primarily through the construction of small plants; between 1973 and 1980 around 60 small refineries were built in the United States with an average capacity of 500,000 tons a year (so-called "boilers"), and only one large refinery with a capacity of 8.5 million tons was built.⁵

The average capacity of the refinery is 3 million tons a year, and maximum capacity is 35 million. Over 50 percent of the refineries are small (up to 1.5 million tons a year), are distinguished by high proportional capital investments and operational costs and are extremely uneconomical. Besides this, these refineries are distinguished by a relatively low percentage of secondary processes, making higher crude conversion impossible.

Table 1

Petroleum Product Consumption Patterns and Proportion Accounted for by Oil in U.S. Fuel and Energy Supply, %

<u>Categories</u>	<u>1972</u>	<u>1975</u>	<u>1980*</u>	<u>1985**</u>
Oil consumption, millions of tons a year	776	765.9	837	808**
Percentage of fuel and energy supply	45.8	46.3	44.8	38.1**
Petroleum product consumption patterns, %				
Gasoline	38.8	39.7	38.5	35.4
Intermediate distillates	24.7	24.9	23.2	24.5
Residual fuel	17.2	16.9	14.8	13.4
Others (including petrochemical raw materials)	19.3	18.5	23.5	26.7

* Estimate.

** 1990.

"BP Statistical Review of the World Oil Industry," 1978, 1980.

The cancellation of the financial and tax privileges of small refineries in 1981 caused their economic indicators to drop dramatically, resulting in large losses for their owners. In recent years, however, despite the lower demand for petroleum products, capacities for primary refining have continued to be augmented in the United States as a result of the completion of refinery construction projects begun when oil consumption was still increasing (the increase in capacities was 31 million tons in 1980 alone), all of which has led to the record underloading of U.S. capacities (68 percent at the beginning of 1981). By 1981 more than 40 small refineries and 6 relatively large ones with a total capacity of around 42 million tons a year--that is, around 5 percent of all capacities in the refining industry--had been closed either temporarily or permanently.⁶ A large number of small refineries will probably be closed in the near future.

Higher Conversion

Despite the fact that the U.S. petroleum refining industry produces around 75 percent of the light products (the highest indicator in the world) and is distinguished by a high percentage of secondary processes, the underloading of capacities at a time of fairly high demand for light products requires the more intensive refining of petroleum.

Table 2

Proportion Accounted for by Secondary Processes, % of Capacities
for Primary Refining (at beginning of year)

<u>Process</u>	<u>1971</u>	<u>1976</u>	<u>1981</u>
Primary refining, millions of tons a year	623.3	730.6	902.2
Thermal cracking	12.2	9.8	8.6
Catalytic cracking	44.9	36.2	33.1
Catalytic reforming	20.0	21.2	19.4
Hydrorefining and hydrodesulfurization	30.0	38.2	42.0
Hydrocracking	5.6	5.8	4.8
Alkylation	5.4	5.2	4.7
Total	118.1	116.4	112.6

OIL AND GAS JOURNAL, 1972, No 13; 1977, No 13; 1981, No 13.

This is complicated by the refining industry's traditional emphasis on the conversion of light, low-sulfur crude (with a top sulfur content of up to 0.5 percent), and until recently only 40 percent of the capacities were suitable for the refining of petroleum with an average or high sulfur content. In view of the fact that the latter constitute most of the world petroleum output, they will continue to account for a higher percentage of the total refining volume. This is why cracking processes are the object of special interest in the United States at the present time.

The conversion of residue into more valuable light petroleum products is based on the augmentation of the ratio of hydrocarbons to initial raw material. There are two main ways of achieving this. The first is hydrogen redistribution within the raw material--that is, the production of a specific quantity of products enriched in hydrogen (motor fuels, etc.) by means of the simultaneous derivation of a product with a low hydrogen content (coke). One of the main refining processes--slow coking--is based on this principle. This process is relatively inexpensive but the quality of the light products derived in this manner is relatively low, and what is most important (particularly in refining sulfurous crude), it produces large quantities of almost unusable high-sulfur coke. Another process is catalytic fluid cracking, which was not used widely until recently because of its relatively low technical and economic indicators. This was due to high expenditures of the catalyst as a result of its rapid contamination by the high metal content of residual fuel. The development of highly resistant catalysts and a number of other improvements have facilitated the successful use of this process.

Another refining method consists in the enrichment of residual products with hydrogen from outside. This is the basis of hydrogenation processes, including hydrodesulfurization and hydrocracking. These hydrogenation processes, which are conducted under high pressure and require larger expenditures of hydrogen, call for large capital investments and operational expenditures.

Catalytic processes of hydrodesulfurization are usually conducted under pressure of up to 100 atm and are designed primarily to reduce the content of sulfur and heavy components--asphaltenes and carboids. These processes can be used for the preparation of raw materials in slow coking and catalytic cracking, which considerably augments the output and quality of the products of the latter processes. As mentioned above, the main difficulty in refining is the high cokeability of residual products and their higher content of heavy metals capable of contaminating catalysts. This is why hydrodesulfurization processes began to be used widely only in recent years, when highly resistant catalysts were developed and special technological methods of conducting the processes were perfected (for example, hydrodesulfurization in a fluidized catalyst bed with the continuous addition of the working catalyst). This is also true of catalytic hydrocracking, which is conducted under pressure of up to 200 atm and allows for the almost total conversion of residue into high-quality light products (for example, gasoline or jet fuel). These processes, however, are distinguished by the highest capital investments and operational costs.

In addition to catalytic hydrocracking processes, thermal hydrocracking (so-called "dynacracking") has been developed in the United States in recent years. It can be used successfully in the refining of synthetic oil--that is, the products of destructive hydrogenation, shale oil, bituminous oil, etc.

Improvement of Refining Processes

In addition to the need for higher conversion, the rising cost of oil necessitated more economical refining processes, the reduction of energy expenditures and the improvement of the selectivity of processes.

The more intensive refining of petroleum and the improvement of the quality of petroleum products depend primarily on the development of catalytic processes and of new and improved catalysts. The quality of catalysts is assessed primarily according to their ability to be activated (which determines the temperature of the process or the installation output), selectivity (measured by the output of specific products) and stability. Today the unprecedented scales of production (there are catalytic cracking facilities with a capacity of 7 million tons a year, hydrorefineries with a capacity of 4 million tons a year, etc.) and the dramatic rise in the cost of raw materials and energy make particularly great demands on these indicators.

The dramatic improvement of catalysts in catalytic cracking, one of the most widely used refining processes, was connected with the use of zeolites, which heightened the productivity of equipment and augmented the output of gasoline. The first catalytic cracking facilities were converted for the use of zeolite catalysts in 1964, and over 90 percent of all these facilities were operating on these catalysts by the end of the 1960's. The transfer from amorphous to zeolite catalysts perceptibly augmented the productivity of equipment,

precluding the need to construct new cracking facilities with a total capacity of around 40 million tons a year, required for the satisfaction of the rising demand for cracked gasoline.

The use of highly active and selective zeolite catalysts led to the considerable improvement of the technology of catalytic cracking. Improvements in this process almost doubled the output of gasoline over a decade.

The same is true of other catalytic processes. For example, monometallic platinum catalysts were replaced by bimetallic and polymetallic catalysts in catalytic reforming in the 1970's, reducing the pressure required for the process by half and producing a considerable savings in energy expenditures and a perceptible increase in the output of reformed gasoline, a valuable component of motor gasoline.

The third-generation catalysts used today in hydrorefining require a much lower temperature and pressure than the catalysts of the 1950's and 1960's and simultaneously augment the productivity of equipment and raise the level of desulfurization.

In addition to the improvement of catalysts, the further improvement of technology has raised technical and economic indicators and reduced energy expenditures. For example, the transfer to high-temperature reprocessing with the complete combustion of CO directly in the regenerative chamber heightened the energy efficiency of catalytic cracking, increased the output of gasoline and simultaneously reduced expenditures of the catalyst. The development of reforming processes with continuous catalyst regeneration produced reformed gas with an octane number of up to 105 with perceptibly reduced expenditures of energy.

It is significant that U.S. oil companies are the leaders in refining technology in the capitalist world. This is attested to by the fact that they account for over 70 percent of the refining licenses sold in the world.

The wider use of computers and automated control systems makes refining processes much more economical.

American firms were the first to use these systems in refining. Today more than 90 percent of the refineries use computers for organizational and economic operations. Information and information-control systems are used in production control in combination with other types of administrative systems. Computers are used extensively in the control of technological processes; furthermore, these systems have become a standard element in designs for new facilities. Several control functions are performed by these systems without operator interference. Microprocessor equipment has been used in recent years for the automation of administration and production.

The incorporation of these systems has been facilitated by the production of comprehensive technical equipment and standard software based on typical administrative functions, particularly petroleum refining. A classic example is Honeywell's TDC-2000 system with multichannel digital regulators (controllers), preprogrammed for the performance of several dozen specific functions. The central computer is generally set up as part of the centralized control system for greater efficiency.

In addition to control systems, computer equipment is used widely for the processing of data, in data collection systems and for the automation of micro-piloting systems for the planning of processes.

Along with the improvement of technology, the optimization of plans for the use of refinery heat, the improvement of furnace operations, the reduction of the heat loss of technological equipment and the utilization of secondary energy resources are being given considerable attention in the United States.

All of these measures have reduced energy expenditures considerably. Between 1972 and 1980, for example, proportional energy expenditures in petroleum refining were reduced 20 percent (and even 40-45 percent in some refineries); a further reduction of 8 percent before 1985 is anticipated.⁷

Enhancement of Product Quality

The desire to use petroleum as efficiently as possible has also led to the tendency to produce more diesel vehicles in the United States (the diesel engine is around 25 percent more economical than the carburetor engine). The necessary increase in the output of diesel fuel can be achieved through the augmentation of its fractional composition (a lower final boiling point), which has been made possible by the use of special additives and the development of new processes of the soft selective hydrocracking of distillates with a final boiling point of up to 420° C, considerably lowering the pour point of these distillates. For example, the Mobil firm's process of catalytic deparaffination lowers the pour point of diesel fuel with a final boiling point of 420° C. Furthermore, the output of commercial product is around 95 percent.

The institution of stricter environmental quality standards is one of the most important factors influencing the technical progress of petroleum refining in the United States. This concerns the improvement of product quality and the improvement of production processes in order to reduce environmental pollution.

Motor gasoline is the petroleum product used most widely in the United States. In recent years several laws have been passed in the nation to limit the use of lead-based anti-knock additives in gasoline because the lead compounds produced by this kind of gas pollute the atmosphere and, what is most important, rapidly contaminate catalysts for the complete combustion of exhaust gas. Gas containing no leaded anti-knock compounds already amounted to 50 percent of total consumption in 1980, and the figure should rise to 70-90 percent by 1990. But the restrictions against the use of leaded anti-knock compounds do not signify lower requirements for gasoline octane numbers, which must remain fairly high due to the need for more fuel-efficient vehicles. This has required the increased production of high-octane gasoline components (reformate, alkylate, cracked gas, etc.). This presupposes an increase in catalytic reforming capacities, including a further increase in equipment operating on bimetallic and polymetallic catalysts (75 percent in 1980) and the construction of continuous reforming facilities; plans have been made for the enlargement of facilities for the traditional production of high-octane gasoline components (alkylation and isomerization) and new catalytic processes, such as the derivation of propylene dimers (dimersols). The octane number of cracked gas is to be raised considerably through the use of special new catalysts in the catalytic cracking process.

It must be said, however, that the production of high-octane gas without anti-knock compounds has reduced the output of gasoline from petroleum, as a result of which extensive research is being conducted in the United States to optimize gasoline octane requirements with a view to the more economical use of petroleum in the entire "refinery-fuel-engine" system.

The possibility of using various compounds derived from non-petroleum resources (various types of alcohol and esters) as high-octane gas components has aroused considerable interest. In particular, so-called "gasohol" (a mixture consisting of nine parts gasoline and one part ethyl alcohol) is already quite popular; it is sold at 800 gas stations in 28 states. The alcohol needed for the production of gasohol can be obtained from agricultural waste (substandard seeds, syrup, etc.). According to some of the most optimistic forecasts,⁸ alcohol fuel with an ethanol or methanol base will amount to around 10 percent of all the gas consumed in the United States by the year 2000.

The stricter requirements on the sulfur content of diesel, furnace and boiler fuel, combined with the simultaneous increase in sour crude, necessitated the quicker development of hydrodesulfurization processes. Between 1971 and 1981 the yield of these processes increased from 197 million tons a year to 362 million, and their relative capacity increased from 30 to 42 percent. These rates will remain high in the future.

Environmental Protection

In addition to setting stricter quality standards for petroleum products, current environmental protection laws in the United States make serious demands on the very processes (and facilities) used in petroleum refining from the standpoint of their environmental impact. In connection with this, several measures have been taken in the petroleum refining industry to reduce emissions of sulfur-containing gases and hard particles with flue gas, to reduce losses of hydrocarbons through evaporation, leakage and so forth, to reduce fresh water consumption through the use of recycling systems, to combat noise pollution, etc. According to estimates, total capital investments in environmental protection in petroleum refining between 1974 and 1985 should amount to around 20 billion dollars.

It must be said that all of the programs for higher crude conversion, the production of unleaded high-octane gas and so forth require huge capital investments. Suffice it to say that the cost of a catalytic cracking facility with a capacity of 2 million tons a year can exceed 300 million dollars, a hydrodesulfurization facility with a capacity of 1.5 million tons a year can cost 360 million, and a facility for coking with the subsequent liquefaction of coke (the flexicoking process) with a capacity of around 3 million tons a year can cost around 1 billion dollars.

According to some estimates, American refiners will spend around 13 billion dollars between 1980 and 1985⁹ just on the resolution of problems connected with the deterioration of petroleum quality (in 1981 capital investments in the petroleum refining industry totaled 6.3 billion dollars,¹⁰ and much of this capital was used for the construction of facilities). Capital investments in the production of alcohol-based fuel could reach 23.4 billion dollars by 2000.

The recent drop in oil prices could obviously slow down this process somewhat, but American experts anticipate no changes in the main strategy of the industry, aimed at higher conversion.

FOOTNOTES

1. All data are for 1 January 1981.
2. OIL AND GAS JOURNAL, 1980, No 20, pp 68, 69.
3. WORLD OIL, 1980, No 3, p 77.
4. OIL AND GAS JOURNAL, 1981, No 14, p 52.
5. Ibid., 1981, No 13, p 63.
6. Ibid., 1981, No 38, pp 71-76.
7. Ibid., 1982, No 11, pp 27-31.
8. CHEMICAL ENGINEERING, 1980, No 15, p 17.
9. OIL AND GAS JOURNAL, 1980, No 20, pp 43-46.
10. WORLD OIL, 1981, No 6, p 254.

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U.S. MILITARY BASES--STRONGHOLDS OF IMPERIALISM

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 6, Jun 83 (signed to press 19 May 83) pp 109-115

[Article by E. G. Grigor'yev]

[Text] In response to the questions of a PRAVDA correspondent, General Secretary of the CPSU Central Committee Yu. V. Andropov reminded him that "hundreds of American carriers capable of a nuclear strike against our territory are concentrated along the entire perimeter of the USSR." Commenting on the increase in "feverish U.S. activity to situate military bases close to Soviet territory" and the presence of "hundreds of runways thousands of miles away from the United States, on which American planes carrying nuclear weapons are standing, ready to take off at a moment's notice,"¹ Yu. V. Andropov underscored the dangerous, provocative nature of this activity.

The United States now has more than 1,500 military bases and installations on the territory of 32 states on all continents. More than half a million American servicemen are stationed there at all times. In 1982 their number increased by almost 6 percent.² American naval ships plough the waters of the Atlantic, Pacific and Indian oceans, the Mediterranean, the Persian Gulf and the Strait of Hormuz. Up to 12,000 American nuclear weapons are located outside the United States. According to the data of the London Institute of Strategic Studies, the Pentagon has deployed a third of its combat-ready infantry and Marine divisions, a third of its airplanes, two of its four operational fleets and several other naval units, including most of its nuclear missile submarines, outside U.S. territory.³

The U.S. military installations on foreign territory are large air and naval bases, infantry and Marine garrisons, tactical and antiaircraft missile sites, depots for nuclear, chemical and other weapons, materiel and ammunition, air and space observation posts, coastal hydroacoustic submarine detection stations, radio and radioelectronic reconnaissance centers, signal offices and various other types of facilities.

The large U.S. military base on foreign territory is usually an isolated, guarded and largely autonomous complex with extraterritorial rights. It can include several dozen combat, auxiliary and support facilities.

The standard air base has one or two paved landing strips and several auxiliary runways and taxi-ways. Depending on the type of base, the length of the landing strips can range from 900 meters (for army planes) to 4,500 meters (for heavy strategic bombers). Most of the bases have a main concrete or asphalt landing strip 2,400-2,600 meters long. They are equipped with connected and detached shelter and hard standing for planes, hangars, repair shops and warehouses of various types. The radar and communication equipment of large bases is at the service of planes day and night in all types of weather.

The standard naval facility consists of port buildings, ship-raising and ship repair enterprises and a support and supply system. Many bases have airfields for naval aviation, storage and repair facilities and nuclear munition depots for ships and naval aviation.

Most of the American military bases and installations are located in direct proximity to the borders of the Soviet Union and other countries of the socialist community, in so-called "strategic forward defense areas" in Western Europe and Asia.

Western Europe, particularly its central regions, is the main region for the deployment of American troops on foreign territory: The Pentagon regards the territory of the FRG as its main stronghold against the Warsaw Pact countries. Over 375,000 personnel, four divisions, six separate army regimes and brigades and more than 750 combat planes, the absolute majority of which carry nuclear weapons, are located permanently on numerous military bases and installations in Western Europe. The United States has more than 7,000 nuclear munitions in more than 150 depots, around 100 Pershing IA missiles with a range of around 700 kilometers, Lance missiles and over 500 pieces of nuclear artillery in Europe. In accordance with a NATO Council decision (December 1979), the United States plans to begin deploying 108 Pershing II ballistic missiles and 464 land-based cruise missiles with a range of up to 2,500 kilometers in Western Europe in 1983.

According to NATO's plans, all Pershing II missiles and 96 cruise missiles will be located in the FRG. The rest of the land-based Tomahawk cruise missiles will be located in Great Britain (160), Italy (112), Belgium and the Netherlands (48 each). The missiles should arrive in England, the FRG and Italy before the end of 1983.

As Marshal of the Soviet Union D. F. Ustinov, USSR minister of defense, commented: "The United States intends to augment its offensive strategic potential by deploying new American missiles in Western Europe and other regions close to the USSR and its allies. According to Pentagon military experts, this could heighten the survivability of the United States in a conflict. Actually, the U.S. 'first strike' doctrine is spearheaded against the NATO allies. They have been made the target of the first retaliatory strike, which would obviously also be the last for most of them. Washington is violating the principle of equality and equivalent security even with respect to its own allies by turning them into the hostages of Pentagon nuclear strategy."⁴

There are 188 large military installations in the FRG, including 9 air bases, 36 army garrisons and the largest weapon depots outside the United States, including depots for nuclear and chemical weapons, heavy armaments and combat equipment. This is the location of over 275,000 American military personnel, two armored tank and two mechanized divisions, one armored tank and two mechanized brigades, two separate armored cavalry regiments, over 3,000 medium tanks and large quantities of artillery, aircraft, helicopters and other materiel.

In accordance with an agreement "on support in the event of a crisis or war," signed in April 1982 by the United States and the FRG, the Pentagon acquired the right to supplement its existing divisions in West Germany with another six divisions and 1,000 airplanes in a 10-day period--that is, to more than double the contingent of its air and ground forces in the FRG.

There are 18 large military bases in Great Britain, the most important of which is the Holy Loch naval base, the advance base of the 14th squadron of American nuclear submarines and the ships of the Second U.S. Atlantic Fleet. An important role has been assigned to the 10 U.S. air force bases in the British Isles, where the third American tactical aviation army is located, and where strategic aviation will be based in the event of hostilities. According to the English press, the more than 340 American planes located on British territory surpass the entire British RAF in terms of combat strength. The radar missile detection post here is of strategic value. In all, more than 25,000 American servicemen are stationed in Great Britain, including over 20,000 Air Force personnel.

A large U.S. Air Force base is located in Holland, where 2,600 American servicemen are stationed. American troop garrisons are also located in Belgium (2,300 servicemen) and Portugal (1,500).

The American military presence in Northern Europe, in Scandinavia, is substantial.⁵ The Pentagon makes extensive use of the islands of Denmark and Norway, including Denmark's Greenland, Bornholm and Faeroe Islands and Norway's Jan Mayen and Bear Island. Primary significance has been attached to the establishment of naval and air force bases there. Large air bases and airports have been built in Bardu, Andenes, Bodo and Bonak (Norway) and in Karup, Alborg, Tirstrup, Skrodstrup, Vandel and Vaerlese (Denmark). Hangars cut out of the cliffs are used for the concealment of combat equipment on Norwegian airfields. The construction of concrete shelters for aircraft has also been launched in recent years. Plans have been drawn up for the enlargement of four air bases in Denmark within the next few years.

The largest naval bases in Scandinavia are in Ramson (near the port of Narvik), Harstad, Tromso, Horten, Trondheim, Bergen and Kristiansand (Norway) and in Copenhagen, Frederikshavn and Korsor (Denmark). Many deep fjords and sea cliffs on the part of the Norwegian coastline that does not freeze in winter are to be used as anchorage sites. Various types of radioelectronic reconnaissance posts have been set up on the border between the Soviet Union and Norway in the north and on the Danish island of Bornholm in the Baltic Sea, located close to the shores of the GDR and Poland. The Andenes (Norway) and Skrodstrup (Denmark) air force bases are being prepared for the deployment of

AWACS-equipped E-3A planes. According to reports in the foreign press, around 5,000 tons of various munitions and large quantities of fuel are stored in NATO warehouses in the western part of the Jutland peninsula (Denmark). At the end of 1980 the United States and Norway signed an agreement on the construction of a large warehouse complex in central Norway for the storage of the weapons of an American Marine brigade.

In Iceland, where 2,900 American servicemen are stationed, the American naval and air base in Keflavik is being used actively. According to a report prepared for the American Congress on "United States Foreign Policy Objectives and Overseas Military Installations," "Keflavik is an important link in the chain of airfields used for flights by short-range aircraft through the North Atlantic."⁶ The Keflavik base has one of the longest landing strips on American air bases (around 4,500 meters) and can accommodate planes of all types. American naval ships regularly enter this harbor. It is now known that the United States is deploying atomic weapons in Keflavik.

The United States has 199 military installations in Southern Europe, in the Mediterranean countries, including 60 in Turkey, 24 in Greece, 52 in Italy, 27 in Spain, 2 in Morocco, 4 in France and 22 in Portugal.

The United States was granted the right to use bases in Spain as early as 1953, under the Franco regime. After Franco's death in 1976, the seventh consecutive U.S.-Spanish treaty was signed, in accordance with which the United States retained the right to use all four of the main bases located in Spain--in Torrejon near Madrid, Zaragoza in northern Spain, Morone and Rota in the Gulf of Cadiz (the Pentagon had to partially evacuate the base in Rota)--and several other installations in exchange for military and economic assistance.

American strategic, military-transport, tactical and patrol aviation is located on air bases in Spain. These bases are also to be used for the transfer of troops and cargo to Europe and the "rapid deployment force" to the Near and Middle East. Lajes Base on Terceira Island, one of the Azores (Portugal), where U.S. Air Force reconnaissance planes are based, can be used for the same purpose. Besides this, American planes carrying cargo from the United States to the Middle East, especially to Israel, are also authorized to use several Spanish military airfields and other installations belonging to the Spanish military establishment. In all, the United States has 27 military installations on Spanish territory. This is also the site of the headquarters of the American air army, with jurisdiction over aviation units located in Spain, Italy, Greece and Turkey. The naval base in Rota serves American surface ships and missile submarines in the Atlantic and the Mediterranean.

The United States has built and is using 52 military installations in Italy. They are of primary significance in the network of American bases in the West Mediterranean. The headquarters of the American Sixth Fleet (32,500 personnel) is located in the Italian port of Gaeta. This fleet includes five submarines, two aircraft carriers and fourteen surface ships based permanently on large naval bases in the ports of Naples and Sigonella and on Maddalena Island near the shores of Sardinia. The headquarters of the supreme commander of NATO forces in Southern Europe is located in Italy. Besides this, the United States has three air force bases here (near the cities of Verona and Vicenza in the

north), two army bases and many support points (13,000 personnel). American bases in Greece (3,500 servicemen) play a significant part in the pursuit of the aggressive U.S. policy line in the Mediterranean. In exchange for military shipments and loans, the United States gained the right to use almost all of the Greek air and naval bases and other military installations. The Pentagon has four large military bases here, including the air base near Athens, one of the largest naval communication centers and other installations, some of them on islands. The foreign press has reported that nuclear weapons are stored on some of these installations, particularly those in northern Greece and on Crete.

Turkey, where seven large American bases are located, has been assigned the role of a stronghold in Pentagon plans for combat operations against the Soviet Union in the transcaucasus and against the socialist countries on the Balkan Peninsula. It has also been assigned the role of a transfer point in movements of the "rapid deployment force" to Southwest Asia. This country, which has a long common border with the USSR, is regarded by American experts as a convenient spot for electronic reconnaissance.

The strategic importance of Turkey to the United States increased dramatically after the overthrow of the Iranian shah and the elimination of the Iranian monarchy as the "policeman of the Persian Gulf," as well as in connection with the general deterioration of regional affairs from the U.S. standpoint. The Pentagon is enmeshing Turkey in a network of new military bases and is sending the most advanced military equipment, fighter and bomber planes and radio-electronic reconnaissance equipment to this country. There have been reports in the American press about the Pentagon's secret plans for the deployment of American medium-range nuclear missiles in Turkey. Most of the bases in Turkey are earmarked for the use of the interventionist "rapid deployment force."

English military bases on Cyprus have recently been put under the broader control of the United States and NATO. The United States has taken charge of the English base in Akrotiri, where American SR-71A strategic reconnaissance planes are located. They fly from Cyprus to Japan along the USSR border.

The United States uses the bases of its NATO allies in Europe on a permanent or temporary basis in addition to its own installations. In particular, reconnaissance strategic aviation uses the Greek air base in Ellinikon and the English air base in Akrotiri, and patrol aviation uses the Suda Air Force Base (Greece). Washington has gained the consent of its NATO allies to the "joint use" of 43 airfields. In all, the Pentagon hopes to acquire 73 such bases.

Assessing the significance of the U.S. military presence in the Mediterranean, the authors of "United States Foreign Policy Objectives and Overseas Military Installations" noted: "The chain of military installations stretching from Portugal through Spain and Italy to Greece and Turkey in the East Mediterranean guarantees effective and necessary support for the important 'floating base' created by the Sixth Fleet."⁷

Since the start of the Reagan Administration, statements about U.S. military-strategic aims in the Pacific basin have been made more frequently in Washington.

In the Far East, where the second largest overseas contingent of U.S. armed forces is situated close to the borders of the Soviet Union, the United States has over 300 military installations, including 83 large ones. The number of U.S. armed forces here exceeded 147,000 after it was augmented by 11,000 in 1981 and by another 12,000 in 1982. American military bases in Japan, the Philippines, South Korea and Micronesia have been enlarged and modernized. An attempt has been made to link them with the new large American military base in the Indian Ocean on the island of Diego Garcia. The personnel of the U.S. Seventh Fleet in the Pacific increased by almost a third last year (to 33,000). Plans call for the provision of ships with cruise missiles capable of carrying both conventional and nuclear charges and for the deployment of American nuclear weapons in the West Pacific.

The line of American military bases in this region starts in Alaska, passes through Japan and the Korean peninsula and goes on to include the Pacific bases of the United States, Taiwan, the Philippines, Australia and New Zealand. Washington administration spokesmen have not concealed the fact that the United States will deploy medium-range nuclear missiles in the Asian theater of war "if necessary."

One of the Pentagon's most important military strongholds in the Far East is South Korea. This is the only territory in the region where American troops and bases are located directly at the border of a socialist state, the DRPK, close to Soviet territory.

Almost 40,000 American troops, including 30,000 infantry, an aviation division and tactical missiles are located in South Korea. The American press has reported that around 1,000 nuclear warheads are here. The most important of the 40 main U.S. bases in South Korea are the air bases near Taegu, Osan and Kunsan, the naval bases in Pusan and Inchon and the many army bases, some of which are in direct proximity to the DMZ.

Pentagon plans attach equal importance to the Japanese stronghold, which has long been called an "unsinkable U.S. aircraft carrier" in the Far East. Here the United States has 32 large bases where the headquarters and many units of the Fifth Air Army, military depots and support and auxiliary installations are located. Japan is the site of a garrison of more than 50,000 American troops, large air bases--Yokota and Kadena--and naval bases--Yokosuka and Sasebo, serving the ships of the Seventh Fleet. A division and aviation wing of the infantry corps (over 22,000 personnel) are located on Okinawa.

The American bases in the Philippines were established at the beginning of the century, when the United States seized the former Spanish colony. There are now 11 large American military installations here. The Subic Bay base (naval) and Clark Field (aviation) have served U.S. imperialism for decades as a springboard for expansion in Asia. It was precisely from this point, from Subic Bay, that the Pentagon transferred 1,800 Marines to the Persian Gulf zone at the height of the American-Iranian conflict. Even today the Philippines essentially perform the functions of a rear support base for ships of the Seventh Fleet and units of the "rapid deployment force" permanently stationed in the Indian Ocean. Pentagon officials believe that the Clark Field base could be used for shipments to Tel-Aviv over the U.S.-Clark Field-Diego Garcia-Israel route in the event of a war in the Middle East.

The active return of the U.S. military establishment to regions adjacent to Indochina is apparent. American Air Force planes are once again using their former base in Utapao (Thailand). This base, as well as the bases the United States hopes to acquire in Takli and Donmuang, can serve as a transfer point for American military transport planes flying between Clark Field and Diego Garcia.⁸

After declaring the Indian Ocean region, which takes in the shores of 36 states, a zone of its own "vital interests," the United States stationed two carrier task forces from the Sixth and Seventh Fleets there on a permanent basis. The remodeling of the Pentagon's largest base in the central part of the ocean on the island of Diego Garcia is continuing. The deployment of U.S. nuclear weapons has already begun. The number of service personnel on the base has reached 5,000. In American strategic plans the island is viewed as an ideal stronghold, a natural "axis" of the ring of naval and air bases established by the United States along the perimeter of the Indian Ocean.

Twelve military transport ships of the U.S. Navy are anchored near the island. Their holds contain enough fuel, food, tanks, artillery, helicopters and ammunition for a month of combat by 12,000 Marines from the "rapid deployment force." These ships can be moved to the shores of any country where events are taking a turn objectionable to Washington. The bay of Diego Garcia can accommodate aircraft carriers and missile submarines and the airfields can accommodate strategic B-52 bombers and military transport planes. The Air Force base on this island was already used during the unsuccessful Iranian invasion of April 1980.

The United States uses more than 20 installations in Australia, which occupies a special position in the Indian and Pacific oceans. They include Sterling Naval Base in Cockburn Sound, air bases in the west and the Pine Gaps observation station in Alice Springs. The Pentagon is working on plans for the storage of U.S. nuclear weapons in Australia and the permanent deployment of U.S. troops on its territory.

In accordance with an agreement concluded with Oman, Somalia and Kenya on the use of their bases by the American armed forces, the United States received access to 10 airfields and ports in this part of the Indian Ocean.⁹ Preparations are being made for the radical remodeling of the Oman air base on Masira, and Siib airport in the capital of Oman, the Markaz-Tamarid air base, Kenya's Mombasa port and airfields in Mombasa, Embakazi and Nanyuki and the Somali naval and air base in Berbera are being modernized. American armed forces are already using some of these bases, as well as airfields in Saudi Arabia (Riyadh), Egypt (Cairo-West, Ras-Banas, Wadi Qena, Luxor and Aswan), the Republic of Djibouti (Djibouti) and Bahrain. A "strategic agreement" with Israel gave the United States unlimited access to this country's bases. In South Asia the United States is taking great pains to acquire access to the military bases of Pakistan and Sri Lanka. The United States has around 25 installations in South Africa, Liberia, Morocco, the Seychelles, Reunion and Ascension Island.

Greenland plays an important role in the system of U.S. military bases as part of the "American continental security zone." This is the location of the

largest northern bases--Thule and Sondrestrom--as well as four radar missile and aircraft detection stations and communication centers. A modern port, airfields with a 3-kilometer landing strip, hangars, repair enterprises and huge fuel and ammunition depots were erected on the Thule base as early as the mid-1950's. At the southern tip of the island the Pentagon built naval bases in Narssarssuaq and Groenendaal and the Sondrestrom air base and in the northeast it built several military airfields.

The United States has a naval base in Canada, a DEW line stretching 6,400 kilometers along the 70th parallel and several communication installations. Canada's Goose Bay Air Force Base on the Labrador Peninsula and the Nanaimo naval base are used extensively.

The United States also has a diversified network of naval and air force bases in Latin America. There is a large base in Puerto Rico. There are 14 U.S. bases in the Panama Canal Zone. The Pentagon is still holding on illegally to the Cuban naval base in Guantanamo, one of the main centers for the organization of aggressive actions against socialist Cuba and other progressive states in Central America. There is a large U.S. air base in Bermuda and auxiliary bases in the Bahamas and in Turks and Caicos. A base for underwater weapon tests has been built in Antigua. More than 30 U.S. installations of various types, including a naval base, two air bases and an infantry complex, are located in Panama. They are used constantly for intervention in the internal affairs of Latin American states.

The United States is striving to gain maximum advantage from Argentina's defeat in its conflict with England over the Falkland (Malvinas) Islands and to consolidate its presence near Argentina's shores.

The energetic development of the network of U.S. military bases and strongholds on foreign territory is convincing proof of Washington's desire to rule the world. The proximity of U.S. bases to Soviet borders and the actual encirclement of the socialist community countries by these bases reveal the purpose of the Pentagon's military preparations. By using its bases, it hopes to retain or regain imperialist dominion in the former colonies and dependent countries and stifle national liberation movements.

The U.S. bases pose a threat to the cause of peace. The diversified system of Pentagon bases and strongholds thousands of miles from U.S. borders is intended for the subjugation of independent states, the exertion of economic, political and military pressure on them and the pursuit of the policy of threats and blackmail. Military bases have been used repeatedly by Washington for the direct armed support of local reactionary forces in struggle against progressive forces. In particular, this has taken place more than once in South Korea, the Philippines, Haiti and other countries. Finally, the half a million U.S. servicemen stationed in other countries are the bearers of reactionary militaristic ideas and are helping spread the false beliefs about the "Soviet military threat" and to create an atmosphere of war hysteria.

Opposition to the aggressive policy line of the U.S. administration and the plans for the augmentation of the U.S. military presence is growing throughout the world. The mass antiwar movement has overtaken the United States' West

European allies. The withdrawal of U.S. troops and the dismantling of U.S. military bases are being demanded by the public in many Asian, African and Latin American countries. The antiwar and antinuclear movement is even growing within the United States itself.

FOOTNOTES

1. PRAVDA, 27 March 1983.
2. These and later data on the number of U.S. bases, personnel, the composition of troops, aviation and naval forces are based on information published by the London Institute of Strategic Studies, "Military Balance 1981/1982"; U.S. NEWS AND WORLD REPORT, 27 December 1982, pp 46-47; "United States Foreign Policy Objectives and Overseas Military Installations," Wash., 1979; "Otkuda iskhodit ugroza miru" [The Origin of the Threat to Peace], Moscow, 1982, pp 25-29.
3. AIR FORCE MAGAZINE, December 1981, pp 56-59; "Otkuda iskhodit ugroza miru," p 32.
4. PRAVDA, 12 July 1982.
5. For more detail, see A. I. Petrenko, "The United States and North European Security," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1982, No 2, pp 18-30.
6. "United States Foreign Policy Objectives and Overseas Military Installations," p 25.
7. Ibid., p 65.
8. V. P. Kozin, "The Buildup of American Military Presence in the Indian Ocean," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1982, No 1.
9. N. N. Tarasov, "The Horn of Africa in Washington's Politico-Military Plans," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1982, No 4.

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PLANS TO UPGRADE MILITARY COMMAND-CONTROL-COMMUNICATION SYSTEMS SCORED

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 6, Jun 83 (signed to press 19 May 83) pp 116-121

[Article by V. S. Frolov: "What Lies Behind the Modernization of C³"]

[Text] In the last 2 or 3 years a matter known simply as C³ (or "3c") has been the subject of intense debate in American military journals and in circles close to the Pentagon. This is an acronym consisting of the initials of three English words: command, control and communications. In concise terms, it signifies the information-communications infrastructure--the "nerve system" of the modern armed forces: command points and control and communication centers.

"Only vital C³ can ensure victory in a military conflict," DEFENSE ELECTRONICS commented.¹ "Communication centers and control points are the key component of all U.S. mobilization planning," W. Hillsman, the head of the Defense Department's communications office said.² Some experts believe that the modernization of C³ is even more important than the deployment of the entire complex of MX missiles.

The interest in C³ was revived in the United States after an interval of almost 20 years. A report by a group of researchers from Stanford University about the projected tactical and technical requirements of strategic control and communication systems up to 1975 had been completed by the beginning of the 1960's, but it was ignored by the military-political leadership, which even "noted the absence of prospects in the report for the strategic planning of communication systems on the national level."³ Some specialists, however, particularly R. Foster, the general director of the Stanford University Center for Strategic Studies, believes that "this document is still pertinent today."⁴

The heightened interest in C³ is connected primarily with the more aggressive and offensive nature of the current U.S. administration's military-political strategy and with the new doctrine of "limited nuclear war" in its short and protracted varieties. The Pentagon's policy-planning document on defense directives for fiscal years 1984-1988 assigns importance to, along with the continued augmentation and development of strategic offensive forces, timely measures aimed, according to the authors of this document, at heightening the "survivability of the nation," which essentially means the reinforcement of the material and technical facilities for fighting a war.

The most important of these measures are the C³ modernization plans, for which the U.S. administration allocated 18 billion dollars in its comprehensive strategic program, announced on 2 October 1981 by President Reagan. Judging by the Pentagon chief's report to the Congress in connection with the draft military budget submitted for 1983, the main goal of the improvement of control and communication systems consists in securing the offensive operations envisaged in the doctrine of "limited nuclear war"; the objective of defense (or "survivability," to use the Pentagon's term) is secondary. The entire concept of "survivability" is based on the possibility of delivering the first (pre-emptive) strike in order to catch the enemy's missiles in their silos, his bombers on their airfields and his nuclear submarines in their bases. It is precisely this reliance on the first strike that explains Washington's negative response to the proposal that it follow the USSR's example and also pledge not to use nuclear weapons first.⁵

A global communication and control system has been created to ensure the centralized management of U.S. armed forces deployed throughout the world. It includes around 130 top government and military agencies, numerous main and reserve command centers with antinuclear protection, airborne and surface mobile command points and main and reserve communication and control systems.

Structurally, the strategic C³ system includes radar reconnaissance and detection posts, a global system of satellite communications and terrestrial command communication channels, which literally enmesh not only the United States but also the entire North American continent. A distance early warning line, consisting of 31 stations, is also located near the polar circle. Similar systems for the detection of land-based ICBM's and SLBM's are located, as J. Collins and E. Severns say in the book they wrote at Congress' request, along the entire coastline--on the Atlantic and Pacific sides. Radar units here "survey" an area stretching from sea level to the ionosphere.⁶ This land-based control system is supplemented by satellite communications.

An important C³ reserve is the national telecommunications network, a state of the art system with enormous handling capacity. It was originally supposed to handle the flow of information within the country, but it can also be used by the U.S. supreme command for target designation (one of the functions of C³) and for control outside its limits. This is attested to, in particular, by the unofficial management of the development of the television network by the American Government, although most of the system belongs to American Telephone and Telegraph.

The main structural elements of command lines of communication and control are concentrated in the U.S. capital. This fact is used by experts to sow alarmist attitudes about the "vulnerability" of the American C³ system, its "defenseless" nature, etc. At one time, military research experts from Stanford University recommended the immediate creation of official groups outside the capital, made up of representatives of subdivisions of the first and second echelons of power, including at least one successor to the President.⁷

Now the imaginary defects--or "holes," as they are termed by the alarmists from the Pentagon--in control and communication systems are once again being discussed. For example, R. Foster asserts that strategic C³ has such "gaping

"holes" that modernization will have an impact only if these systems are given higher priority.⁸ He is echoed by General D. Jones, former chairman of the Joint Chiefs of Staff: "Serious improvement is needed in the work on the survivability, reliability, redundancy and flexibility of the strategic warning and control systems supporting the national command."⁹ The same ideas were expressed by P. Bracken, head of the research sector of the Headstone Institute, who studied the possibilities of C³ in 1980 and 1981.

This deliberate emphasis on the shortcomings in control and communication systems, just as in other areas of U.S. military organization, has been taken up by publications close to the Pentagon for the purpose of frightening uninformed population strata and continuing the escalation of the arms race.

Plans for the Modernization of Strategic Control and Communication Systems

The "hawks" from the Pentagon, who are striving to obtain more and more new appropriations for weapons, assert that when the budget for the development and deployment of weapon systems was discussed in previous years, not enough funds were allocated for the modernization of the control and communication elements designed to serve these systems. They believe that at least 400 million dollars should be allocated for C³ for each billion used in the production of weapon systems.

Pentagon "Communication and Intelligence" Budget Authorizations,
in millions of dollars

Fiscal years	1972	1976	1980	1982	(estimate) 1983	(draft) 1984
In current dollars	5,452	6,671	9,122	13,939	17,057	20,842
In 1984 dollars (inflation-adjusted)	13,391	12,026	11,679	15,154	17,740	20,842

"Report of the Secretary of Defense C. Weinberger to the Congress on the 1984 Budget, FY 1985 Authorization Request and FY 1984-88 Defense Program, 1 February 1983," p 320.

The current U.S. administration is eager to allocate these funds. It would be difficult to determine all these allocations because they are distributed among various budget items, including funds allocated for the needs of certain civilian departments. Nevertheless, if we examine the dynamics of allocations for the functioning of "communication and intelligence" systems (they are united in the "C³I" column), the dramatic growth of these allocations after the current President's arrival in the White House is striking (see table).

Secretary of Defense Weinberger's report to the Congress on Pentagon authorization requests for fiscal year 1984 and the next 5 years said that in 1984-1988 the Pentagon intends to concentrate its efforts in the C³ field on the improvement and modernization of control systems for strategic and non-strategic nuclear forces, tactical forces and battlefield forces;¹⁰ electronic weapons and ABM neutralization systems; all-encompassing information and communications. Each of these programs will make a significant contribution to our defense potential, the Pentagon chief said when he requested 31.5 billion dollars for this purpose in FY 1984.¹¹

According to experts, the new radar is resistant to electronic jamming and shock waves. These radar posts are to be linked with central command points through a satellite communication system.¹²

The Pentagon has great hopes for the airborne monitoring, control and guidance command points on the E-4B planes. At least five such control points, "continuously airborne and making random flights," will be deployed. These will probably, as General L. Pascal, former director of the Pentagon communication office, has commented, be "the most vital component of the entire American C³ system."¹³

The prototype of the airborne control point is the E-3A plane. The E-4B and E-3A planes, as links of C³, have different functions and, consequently, carry different types of electronic equipment.

An airborne strategic control point is based on one of the models of the Boeing-747 jet and is designed to secure the communications and control of the supreme national command in the event of a nuclear war. This is more evidence of the fact that the real purpose of this modernization is preparation for this kind of war.

Airborne tactical control points of the AWACS system are based on the Boeing-747 and are designed to operate at short range, securing the actions of the tactical command with target designations and information about the situation on land and in the air.

The communication and control systems of strategic bomber aviation are undergoing modernization. Strategic bombers are now equipped with ultra-shortwave receivers for communication with satellites. This is expected to heighten the accuracy of bombings and cruise missile launchings. It is true that Western experts have also noted that this kind of C³ is effective only in peacetime because it would be rendered inoperable at the very start of a nuclear war.

Other objects of modernization are C³ command lines with complexes of land-based ICBM's, like the Minuteman. The so-called "trans-horizon" radar station with reverse angle tracking has been developed and will soon be put in operation.¹⁴ It is unique because it "sees" much farther than conventional radar, seemingly "peeking over" the horizon. According to experts, this kind of station will be "moderately effective" in the detection of high-speed planes flying at low altitudes and "phantom planes" (like the "Stealth").¹⁵

Outdated computers are being replaced on radar posts in Greenland, Great Britain and Alaska to "mate" them with the radar system in North Dakota.¹⁶

The primary objectives of C³ upgrading include a global system of communication with submarines carrying ballistic missiles. "At the most crucial moment, we would want submarines to be close to the surface of the ocean," P. Bracken writes, "so that reliable informational contact can be established with them."¹⁷

A decision has been made to build two antenna systems operating on the lowest possible frequency in Wisconsin and Michigan.

Therefore, the upgrading of C³ is not only aimed at the total supervision and control of strategic forces, but also has a clearly defined political aspect, consisting primarily in the fact that the guaranteed coincidence of abstract and actual capabilities of strike forces can justify the development and implementation of politico-military aims based on the "strategy of nuclear intimidation" and the "determination to use nuclear forces in support of this policy."¹⁸ This premise indicates that the entire U.S. administration, and not only the "hawks" from the Pentagon, is counting on turning nuclear war into a policy instrument.

Interaction with NATO

The American leadership is trying to include the informational infrastructure of the NATO allies, and not only the United States, in the plans for the upgrading of strategic C³. Some indicative tendencies have become apparent in this field. One is the intensive "computerization" of C³. Foreign experts associate the special merits of the computer as "an effective replacement for the human factor" with several indisputable, purely technological advantages of computers used in C³ (high accuracy, reliability, invulnerability to jamming, reduced weight and dimensions, etc.).¹⁹

The growth of antimilitarist feeling in many West European countries, and even in the United States itself, and the probability of the inclusion of "unreliable elements" among the service personnel of various links of strategic C³ have given the bloc's politico-military leadership cause for worry. In this context, the further automation of the process by which strategic command is provided with operational material on various levels and the exclusion of the "human factor" from this process are viewed by NATO experts as an additional advantage.

But the leading NATO countries are creating their own digital C³ systems with a view to national capabilities, resources and technology,²⁰ and American experts are afraid that there will be unforeseen difficulties in the interaction of national C³ systems. This is the reason for another trend in C³ upgrading: intensive measures to standardize the equipment and software of the entire informational infrastructure of the bloc and the creation of a single integral system (NICS).²¹

The system would be designed mainly to ensure reliable interaction by civilian authorities and the military command on the tactical and strategic levels throughout the NATO sphere of activity. NICS is supposed to ensure highly effective, confidential telephone and telegraph communications, the efficient transmission of orders and other signals from information services with guaranteed "survivability," and the flexibility and safety of all its elements. There are four main elements: (1) sensitive (or informational) subsystems, serving as pickup-accumulators of information about the location, movements and other activity of enemy armed forces; (2) position indicator subsystems, informing the command of the current location of its forces; (3) command points and communication posts, serving as centers for the collection, accumulation and analysis of information about their own forces and enemy forces in order to facilitate the decisionmaking process on the command level; (4) lines of

communication between sensitive (informational) subsystems and command points (or communication centers) and between the latter and the forces and equipment under their jurisdiction.

All of these elements are an overt or covert part of C³ on any hierarchical level: from the chairman of the Joint Chiefs of Staff (United States) and the headquarters of the supreme allied commander in Europe (NATO) to the commander of an army subunit on the battlefield. For example, the first element of C³ on the strategic level in the United States ensures informational control over ballistic missile entry corridors. The basis of this element consists of radar posts and satellite communication systems. An example of the first element of C³ on the tactical NATO level could be the target designation system ensuring the detection and interception of targets prior to their entry into the ABM zone. It would include peripheral vision radar equipment, installed on helicopters of the EN-60B type. The latter would be used as flying radar platforms, resistant to unfavorable weather conditions and distinguished by a high degree of "survivability" and operational flexibility. This system of target designation could also guide and control the fire of army artillery.

Intensive research is being conducted in the United States and within the NATO framework in machine cryptographic analysis and methods of the jamming-resistant coding of information. The incorporation of microprocessor equipment in C³ is the principal feature of designs for jamming-resistant electronic communication and control equipment.

The headquarters of the NATO supreme command has already purchased equipment with shielded lines of communication with command headquarters of armed forces in Europe. These communication lines secure telephone and telegraph communications and are coordinated with identical elements of the U.S. Defense Department C³. All of these measures are the reason for the incredible increase in expenditures on research and the purchase of new and more advanced equipment for communications with the NATO bloc countries.

Therefore, the current administration's heightened interest in strategic C³ systems, accompanied by huge allocations for their improvement, heightened flexibility and "survivability," stems from the fact that these systems are regarded by the politico-military leadership of the United States and the NATO bloc as fundamental systems without which it would be impossible to control strike forces in a nuclear war, now that Washington is preparing for this kind of war in the hope of winning by "surviving." "The ability of the national leadership to control the course of the war through nuclear explosions of colossal force" is regarded by the Reagan-Bush administration, writes American journalist R. Scheer in "With Enough Shovels: Reagan, Bush and Nuclear War," a book published at the end of 1982, "as the main component of the potential to fight a nuclear war, even more important than the quantity and power of nuclear weapons." Scheer cites an interview with U.S. Vice-President G. Bush, who said that "a nuclear war can be won by guaranteeing the survivability of command and control systems."²²

In light of these "mad statements about winning a protracted nuclear war," as they were described by former Secretary of State C. Vance, the direct connection between the U.S. leadership's preparations for nuclear war and the intensive modernization of C³ becomes evident.

FOOTNOTES

1. DEFENSE ELECTRONICS, April 1982, p 59.
2. SIGNAL, August 1982, p 64.
3. NATIONAL DEFENSE, December 1981, p 48.
4. Ibid., p 49.
5. M. A. Mil'shteyn, "The Question of No First Use of Nuclear Weapons," SSSA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1983, No 3.
6. J. Collins and E. Severns, "U.S.-Soviet Military Balance. Book II. Strategic Nuclear Trends," Congressional Research Service, Wash., July 1980, pp 88-89.
7. NATIONAL DEFENSE, December 1981, p 68.
8. Ibid., p 50.
9. Ibid., p 51.
10. Some experts have pointed out the hypothetical nature of the division of C³ into strategic and tactical levels because the two are interrelated (DEFENSE, January/February 1982, p 64).
11. "Report of the Secretary of Defense C. Weinberger to the Congress on the FY 1984 Budget, FY 1985 Authorization Request and FY 1984-88 Defense Program, 1 February 1983," Wash., 1983, p 242.
12. DEFENSE, November 1980, p 10.
13. NATIONAL DEFENSE, December 1981, p 68.
14. J. Collins and E. Severns, Op. cit., p 97.
15. AVIATION WEEK AND SPACE TECHNOLOGY, August 1982, p 72.
16. Ibid., pp 72-73.
17. NATIONAL DEFENSE, December 1981, p 69.
18. Ibid.
19. DEFENSE, January/February 1982, p 62.
20. ELECTRONICS, May 1982, p 50.
21. NICS--NATO's Integrated Communications System.
22. R. Scheer, "With Enough Shovels: Reagan, Bush and Nuclear War," N.Y., 1982, p 35.

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